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ESTABLISHED 1887

Suspect in Kahane Killing Believed to Be Egyptian Gunman

Is Wounded After Attack

By Paul F. Horvitz
International Herald Tribune
NEW YORK — El Sayed Nosir, a boiler repairman who is believed to be an Egyptian immigrant, remained under heavy guard in critical condition in a New York City hospital on Tuesday after having been charged with the murder of Rabbi Meir Kahane at a Zionist meeting in Manhattan on Monday night.

Rabbi Kahane, 58, typified a virulent anti-Arab extremism in Israel, where he served four years as a legislator, and in the United States, where he founded the militant Jewish Defense League.

As he fled the scene of the assassination, the police said, Mr. Nosir was shot in the chest by a postal police officer and was taken to a hospital.

Police officers stood guard at Bellevue Hospital on Tuesday over Mr. Nosir, who was under sedation and could not immediately be questioned. A hospital spokesman, Rob Frazier, said it was unlikely he would be able to talk for at least two days.

Mr. Nosir, 37, was charged soon after the killing with one count of murder, two counts of attempted murder and possession of a deadly weapon. He has not been arraigned.

Mr. Kahane, born Martin Kahane in New York and the son of a rabbi, defined militant Zionism in the United States for decades before moving his operations to Israel in 1971. That year, he was convicted in New York of conspiring to manufacture explosives; he received a five-year suspended sentence.

In Israel, he renounced his U.S. citizenship and founded the rightist Kach Party, which advocates the removal of Arabs from the occupied territories. He was elected to the Knesset, or parliament, in 1984. Dismissed by some as a racial extremist, he nevertheless inspired an underground of nationalist anger among some Israelis. He channeled that anger in direct confrontations with Arabs, whom he publicly characterized as "kafers."

In 1988, Israeli officials banned the Kach Party for its extremism, calling it "racist" and "undemocratic." A few clues emerged early Tuesday on Mr. Nosir's background and motive for shooting the rabbi on Monday night after a speech.

A New York police spokesman, Sergeant Peter Barry, said Mr. Nosir had worked as a boiler repair technician for the city since 1988 and was believed to be of Egyptian descent.

He had lived at two different addresses in a largely immigrant neighborhood of Jersey City, New Jersey, before leaving his last address there a few months ago, giving no forwarding address, according to Jersey City detectives.

According to police statements and news reports, including eyewitness accounts in The New York Times, Mr. Nosir was among about 70 people who listened to Rabbi Kahane deliver a speech at the New York Marriott East Side Hotel to a fledgling group calling itself the Zionist Emergency Evacuation Rescue Organization.

After the speech, as Mr. Kahane chatted with admirers, Mr. Nosir walked up, drew a .357 Ruger six-shot revolver and, without saying a word, fired two shots from 4 feet (slightly more than a meter) away. One struck Rabbi Kahane in the neck and exited through the cheek. The other shot apparently went wild.

As Mr. Kahane fell, Mr. Nosir darted to the exit of the conference room. He bumped a bystander, an elderly man, and shot him in the leg, then raced for the hotel exit and commandeered a taxi.

He emerged from the taxi about a block away and was confronted by a U.S. Postal Service police officer who was standing nearby. Mr. Nosir fired again. The bullet apparently struck the officer, Carlos Acosta, 55, in his bullet-proof vest, glanced off and lodged in his arm.

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Supporters mourning Meir Kahane outside Bellevue Hospital in New York on Tuesday. The rabbi founded the Jewish Defense League.

2 Arabs Killed, Possibly in Retaliation

By Jackson Diehl

Washington Post Service

JERUSALEM — Two Arabs were shot and killed in the West Bank on Tuesday, apparently by an Israeli civilian, after the assassination in New York of Rabbi Meir Kahane, the radical Jewish leader, whose followers here threatened retaliatory attacks.

The two Palestinians, a 65-year-old man and a 60-year-old woman, were shot on a roadside in the village of Lubban Sharqiya, near Nablus, by a man in civilian clothes who drove a car with Israeli license plates, according to Arab reports.

The man fired an Uzi submachine gun and appeared to have driven into town from a nearby Jewish settlement, according to the report. Israeli Army and police commanders said they were searching for the assailant. The

authorities also deployed reinforcements around the country in an effort to head off further attacks.

Government leaders appealed for restraint while expressing concern that the Kahane assassination could make worse a recent wave of Israeli-Palestinian violence.

A senior aide to Prime Minister Yitzhak Shamir, Avi Pazner, said the rightist government was "deeply shocked by this murder," adding that "even those, and they are a great majority in Israel, who do not agree with the political views of the late Rabbi Kahane deplore and condemn this further act of Arab terrorism."

Mr. Pazner said Israel would "do its utmost to prevent an outbreak of violence after this murder."

In Jerusalem, supporters of Rabbi Kahane's Kach Party vowed to avenge his death and continue fighting for his radical platform, which includes the forced transfer of Arabs out of Israel and the occupied territories.

"Whoever thinks that Kahane and the Kach movement has been destroyed has made a great mistake," read a spokesman from a statement outside the group's headquarters.

Israeli radio quoted a Kach official as suggesting that the two Palestinians had been shot in revenge for Rabbi Kahane's death. It reported one spokesman as saying that "more Arabs would be made to pay the price."

In a radio interview, a Kach official said, "I don't think I have any control about what Kach

See ISRAEL, Page 2



LENIN IN REPOSE? — Workers in Moscow preparing to mount a huge portrait of Lenin on Tuesday for ceremonies marking the anniversary of the 1917 Bolshevik Revolution. The revolution, long a unifying force, is now a source of Soviet dispute. Page 2.

Law and (Monastic) Order: French Monks Fire on Bandits

The Associated Press

SAINT-LAURENT-LES-BAINS, France — Heavily armed bandits seeking cash at a wealthy, isolated monastery wound up in a gun battle with monks who had taken up arms after a wave of robberies. One monk was wounded.

The monks had been organizing themselves as a self-defense force in the last few weeks. In the two previous robberies this year, "the telephone lines were cut and we couldn't call for help," said the

abbot of the 19-century Trappist monastery Notre-Dame-des-Neiges, Pierre-Marie, on Tuesday.

The abbot said a burglar alarm sounded at the monastery about 3 A.M. Monday, an hour before morning prayers. The bell signaled to the 36 monks, who produce 4 million bottles of wine a year on their immense estate in the Ardèche in southern France, that they were being robbed.

Arming themselves with shotguns, the brothers raced outside to an administrative building about

100 meters from the main monastery, where the alarm had sounded.

But one monk blasted a round into the air, flushing two masked men.

The bandits found their way barricaded by a parked car and by the shotgun-toting Brother Zéphérin, organizer of the monastery's hunting expeditions, who demanded that they stop.

Instead, the robbers pulled out a sawed-off shotgun and a pistol, opening fire on Brother Zéphérin

and the other monks. Father Pierre-Marie said.

The monks returned fire. Brother Zéphérin fell with 200 pellets in his leg. The robbers escaped in a car in which accomplices had been waiting, the abbot said. They were still being sought on Tuesday.

Rumors have circulated for years that the monks have a safe stuffed with cash. The robbers had ransacked the office, Father Pierre-Marie said. "It's been a long time since we kept any cash here," he added.

Following the meeting, though, a senior administration official said the Chinese minister had made it clear that Beijing would not block any such UN effort. It would either abstain or vote in favor, he said.

Considering the reluctance the Chinese have shown in the past few weeks about piling on more sanctions against Iraq, this apparently came as a pleasant surprise to U.S. officials.

The only thing U.S. officials would say about the Baker-Mubarak meeting was that the two men agreed that there should be no partial solution and that force should not be ruled out as an option to settle the Gulf crisis.

Saudi Arabia confirmed that it had reached an agreement with the

United Nations to allow people to behave more as adults.

Asked why many were afraid to speak their minds, he said:

"In fact, we are telling everyone to speak up and not to be afraid. But unfortunately not many believe in that. They are still afraid. But we mean it."

Still, the essence of leadership here will not change, he said, and that includes the "firm smack of government" if needed.

There is an inner drama in Mr. Lee, too. Although Mr. Lee has decided it is best to retire now, he clearly hates the idea. Singapore, after all, has never known another prime minister, and for the last 31 years he has not had any other job.

Still, his contempt for idleness, and sometimes even for

Saudi Women In Driver's Seat

70 Order Chauffeurs To Hand Over Wheel

By Youssef M. Ibrahim

New York Times Service

RIYADH — In an exceedingly rare public demonstration, about 70 veiled Saudi women gathered Tuesday in front of a supermarket in central Riyadh, dismissed their chauffeurs and drove off in a convoy of about 40 cars that broke into smaller groups before Saudi police stopped them.

The move is believed to be the first public act of defiance by Saudi women against their country's strict conservative customs, which severely limit the rights of women to appear in public or mix with men. Veiled from head to toe, largely reduced to dark shadows, women are not allowed to travel anywhere without permission from husbands or male relatives.

The police blocked the road in front of one of the groups about half an hour after they started the demonstration, which was intended to underscore demands that women be allowed to drive.

Although there is no law that bans women from driving, custom prevents them from doing so.

The women who helped organize the demonstration said they had sent dozens of telegrams to senior Saudi officials, including Prince Salman, the governor of Riyadh, explaining that their actions were for the country's greater good.

The police and officers from the Saudi religious police, known as the Committee for Commendation of Virtue and Prevention of Vice, rounded up the cars and the women and prevented onlookers from approaching the area on King Abdulaziz Road.

According to a participant, many of the women have driver's licenses from other countries, including the United States and West European nations. Their demonstration Tuesday is the first known open revolt by Saudi women and a rare manifestation of public sentiment in this conservative nation.

Equally startling is that most of the women received the support of their husbands or close male relatives before the demonstration, according to several participants and their chauffeurs.

The action began when the women, driven by their chauffeurs, congregated in a supermarket parking lot. The women then got into the drivers' seats, leaving the chauffeurs behind. In at least one case, a husband followed his wife from a distance in another car, for "moral support," he said.

"I couldn't believe my ears when Madame asked me for the car keys and told me to get out and then drove away with the others," said a Sri Lankan driver.

One of the organizers said that the women had attempted to draw attention and had expected to be arrested.

"We wanted to be heard by the authorities, loudly and clearly," she said later in a telephone interview.

Two of the organizers, who asked not to be identified, explained in separate interviews Tuesday night that they had been planning the event for a week.

They all agreed that a leading figure behind the action was Aisha Manah, a sociology professor who received her doctorate from the University of Colorado. She has been outspoken in arguing, along

See WOMEN, Page 2

Tokyo Drops Plan For Troops in Gulf

Compiled by Our Staff From Dispatches

TOKYO — Prime Minister Toshiki Kaifu and Japan's governing party abandoned on Tuesday a plan to send Japanese troops to the Gulf and called on opposition parties to open talks on a fresh plan to aid the international effort in the region.

Mr. Kaifu and Ichiro Ozawa, secretary-general of the governing Liberal Democratic Party, agreed to refrain from forcing the troops bill through the lower house of parliament, party officials said.

The bill, which would have opened the way to send up to 2,000 soldiers to the Gulf in a noncombat support role, had faced certain defeat in the upper house, controlled by the opposition.

In parliament, Mr. Kaifu acknowledged Tuesday what everyone in his party had been saying for more than a week: that the government's bill to send a lightly armed "peace cooperation team" to Saudi Arabia, made up largely of military personnel, was doomed.

"We must hear a variety of opinions about how we can contribute to the peace effort," Mr. Kaifu said, meaning that an alternative bill would have to be worked out, a process that is expected to take several months.

Takeo Nishioka, chairman of the party's General Affairs Council, said, "The question is how to connect this to the next plan."

"Both the ruling and opposition parties have agreed that Japan must contribute manpower to the international community," Mr. Nishioka said. "We must clarify our respective views and start discussions after parliament ends."

Earlier in the week, Mr. Ozawa said he would seek passage of the bill in the lower house at least "for the sake of Japan's trust in the international community."

Political commentators said such a move had been calculated to spare Mr. Kaifu from embarrassment and placate the U.S. government, which had been pressing Japan to contribute people as well as funds to the Gulf effort.

Relations between the United States and Japan have been tense since the opening of the Baker-Qian meeting, Mr. Qian was asked whether his government was willing to consider a UN resolution authorizing force, and he said:

"The UN resolutions are intended to increase the pressure on Iraq for a peaceful solution. All of the armed forces have two roles to play. One is to fight a war, the other is to seek peace."

Following the meeting, though, a senior administration official said the Chinese minister had made it clear that Beijing would not block any such UN effort. It would either abstain or vote in favor, he said.

Considering the reluctance the Chinese have shown in the past few weeks about piling on more sanctions against Iraq, this apparently came as a pleasant surprise to U.S. officials.

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United Nations to allow people to behave more as adults.

Asked why many were afraid to speak their minds, he said:

"In fact, we are telling everyone to speak up and not to be afraid. But unfortunately not many believe in that. They are still afraid. But we mean it."

Still, the essence of leadership here will not change, he said, and that includes the "firm smack of government" if needed.

There is an inner drama in Mr. Lee, too. Although Mr. Lee has decided it is best to retire now, he clearly hates the idea. Singapore, after all, has never known another prime minister, and for the last 31 years he has not had any other job.

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Kiosk

Chinese Artist Flees to Paris

PARIS (Reuters) — A leading Chinese painter, Fan Zeng, has fled to France but has not decided whether to request political asylum, Chinese dissidents said Tuesday.

A source said that Mr. Fan, who is in his 50s, flew from Hong Kong to Paris on Monday after attending an exhibition of his works in Singapore.

Business/Finance
More Rich has bought Philip Brothers contracts. Page 11.

Late Soccer Scores

UEFA CUP
Second Round, Second Leg
Bordeaux 1, Magdeburg 0;
Borussia Dortmund 1;
Universitat Gràcia 0;
Dortmund advances, 4-0.
Earlier results, Page 16.

Dow Jones
2,485.15
Down
17.08
The Dollar
in New York
DM 7.463
Pound 1.9655
Yen 126.20
FF 6.007

Crossword
Weather
Page 9
Page 2



Prime Minister Vishwanath Pratap Singh of India, whose chief rival received Rajiv Gandhi's guarded support. Page 5.

Singapore's Next Leader: Too Nice for the Job?

By Steven Erlanger

New York Times Service

SINGAPORE — The familial psychodrama that tinges politics in Singapore is about to enter an important passage: the transfer of authority to the second generation after 25 years of independence.

How much should the children emulate the model — and the combative tone — of the founding generation, who built the nation skyscraper by skyscraper, refinery by refinery, optic fiber by optic fiber?

Indeed, the question of how much power the sons will inherit from their fathers is one of the prime questions in this city-state of 2.7 million people, whose dominating patriarch, Prime Minister Lee Kuan Yew, says he has decided to step down at 67 while he still has his wits about him.

The man Mr. Lee has chosen to succeed him, in a ceremony on Nov. 28, is an intelligent and articulate representative of Singapore's success, Goh Chok Tong,

now first deputy prime minister and defense minister.

But Mr. Goh, 49, tall and slim, is thought to be a bit too nice for the cock-of-the-walk style traditionally favored in Singapore, which finds it convenient to think that disaster is just around the corner.

Some say they fear that Mr. Goh, like others in the "successor generation," will be under pressure to overcompensate, to show their elders how ruthless they can be.

Mr. Goh, in an interview this summer, rejected the idea. He implied that winning through the slippery process of succession here was a sufficient test.

"We don't have to prove how tough we are," he said. "I think if you have to publicly manifest that toughness, then it's hopeless."

But it is a difficult line to articulate. His goals, Mr. Goh says, are a gentler style of rule over a better-educated and wealthier people — with more "participation, accommodation and consensus" in a more "refined and compas-

sonate society," where "we have to allow people to behave more as adults."

Asked why many were afraid to speak their minds, he said:

"In fact, we are telling everyone to speak up and not to be afraid. But unfortunately not many believe in that. They are still afraid. But we mean it."

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Revived Democrats Sight Gains in Vote

By Paul Taylor

Washington Post Service

WASHINGTON — The 1990 midterm election on Tuesday brought to an end a volatile campaign in which Democrats grabbed control of the issue agenda but seemed likely to reap only modest gains in the voting booth.

The Democratic Party has gone a long way this year toward re-establishing itself as the party of the working class and tying the party of the rich label back

around Republicans' necks," said Richard B. Wirthlin, a Republican pollster.

"The Republicans have been in retreat and disarray," said Norman Ornstein, a political scientist at the American Enterprise Institute. "It's not merely the political ineptitude of President Bush on the tax issue these past few weeks. It's larger than that."

"They're victims of their own success," Mr. Ornstein said. "The

demise of communism has hurt them. So has the fact that judges they appointed have changed the dynamics of the abortion debate. So has the fact that, after you've been in power so long, it's hard to keep running against Washington."

Since World War II, the average gain for the party out of presidential power in midterm elections has been 28 House seats and 4 Senate seats. This election, Democratic operatives said they would be happy to win 10 House seats and one

Senate seat — in part because they already have record high congressional representation for an opposing party in a first presidential term; in part because, even in a year of voter disenchantment with politicians, incumbents enjoy such lopsided financial advantages that they are difficult to dislodge.

Democrats now control the Senate, 55 seats to 45. A total of 34 states elected senators on Tuesday; 16 of those seats were held by Democrats, 18 by Republicans.

In the House, where Democrats enjoy a 258-to-175 advantage (with two vacancies), all 435 seats were up for grabs, including 29 (18 held by Republicans, 11 by Democrats) in which the incumbent was not seeking re-election.

Of the 36 states that elected governors Tuesday, 20 have Democratic chief executives and 16 have Republicans.

Whatever the numerical shifts, Democrats said they hoped that the 1990 election would serve as a thematic and political bookend to the 1978 midterm. That year, Republicans were the out-of-power party, and they put forward a new economic platform built around cutting taxes and reducing the role of government.

Although they won some races in 1978, the Republican agenda jelled in a much bigger way in 1980, when Ronald Reagan was elected president and the GOP picked up 34 House seats and 12 Senate seats, including those held by a handful of the Senate's most entrenched liberals.

Democrats said they hoped that, in much the same way, their economic theme of 1990 — tax-the-rich populism — would gather force between now and 1992. But there are plenty of skeptics.

"They'll find themselves mouse-trapped if they think that taxing the rich is going to get them the White House," said William Schneider, a

visiting professor of American politics at Boston College. "That's an opposition slogan, but it isn't a governing program."

Mr. Schneider cited the experience of New Jersey's Democratic governor, Jim Florio, who has seen his approval ratings tumble this year after he tried to shift the tax burden from the poor to the upper-middle class and the wealthy.

Beyond economics, 1990 has seen sharp changes in the area of social issues. Mr. Bush's successful 1988 campaign included a skillful manipulation of the "flag" issue against the Democratic nominee, Michael S. Dukakis. In 1989 and again in 1990, Mr. Bush pushed a constitutional amendment to ban flag desecration — only to be beaten back by a Democratic Congress. Many Democrats said they feared their votes would be used against them this fall.

"That was going to be the Republican hot-button issue six months ago, but it was nowhere to be found on the campaign trail," said Geoffrey Garin, a Democratic pollster. "With a recession looming, the pocketbook issues have trumped the social issues."

A similar dynamic overtook the politics of abortion. A year ago, after the Supreme Court's Webster decision opening the door to more state restrictions on abortions, many predicted the issue would dominate the 1990 campaigns. But a soft economy and the deployment of U.S. troops in the Gulf diminished its impact.

Still, abortion was another issue in which the terrain had shifted in ways favorable to Democrats, whose candidates were generally more supportive of abortion rights. In the 1970s and 1980s, anti-abortion candidates were more eager to raise the issue in campaigns. In the post-Webster era, with the nation's abortion-rights majority suddenly threatened by courts and state leg-



President George Bush voting in Houston on Tuesday. He later returned to the White House.

U.S. Elections at a Glance

At stake

All seats in the 435-seat House of Representatives, where members serve two-year terms. A total of 34 of the 100 seats in the U.S. Senate, where members serve six-year terms. A total of 36 of the 50 state governorships. About 6,000 state legislative seats.

Forecast

Analysts said the Democrats were most likely to add at least six seats to the 258 they held in the House, and to pick up a seat or two in the Senate, where they had a majority of 55, and perhaps expand their 29-to-21 advantage in governorships.

Voters

More than 186 million Americans were eligible to vote. Experts predicted that 115 million voters would fail to cast ballots, continuing a 30-year slide in voter turnout. Pollsters cited widespread anger at politicians as the chief reason for not voting.

Key issues

Government spending and the budget, discontent with politicians, taxes, concern about the economy and abortion.

The presidency

The presidency was not directly affected by the vote, but results will be a key indicator of George Bush's chances of winning re-election in 1992. A swing to the Democrats, particularly in the Senate, could weaken the president's hand as he nears some decisions on the economy and the Gulf crisis. Mr. Bush's popularity has plunged in part over tax and budget issues.

Some Senate races to watch

North Carolina. The incumbent, Jesse Helms, a conservative Republican, battled a strong challenge from Harvey Gantt, the former mayor of Charlotte, a liberal Democrat. Oregon. Mark O. Hatfield, a Republican, was struggling against a classic anti-Washington campaign waged by Harry Lonsdale, a businessman. Minnesota. Rudy Boschwitz, a Republican and an opponent of abortion, was closely challenged by a liberal Democrat, Al Franken, a professor, strongly supported by the

abortion-rights movement. Iowa. Tom Hartin, a Democratic incumbent and a supporter of legalized abortion, was closely challenged by Representative Tom Tauke, who opposes abortion.

Some gubernatorial races to watch

California. The biggest prize of the elections. Senator Pete Wilson, a Republican and a former mayor of San Diego, held the edge over Dianne Feinstein, a former mayor of San Francisco. Florida. Bob Martinez, a Republican, hurt by tax increases and an attempt to curb abortion, fought a strong challenge from Lawton Chiles, a former senator. Texas. Ann Richards, the state treasurer and heir to the liberal Democratic mantle, battled Clayton Williams, a millionaire investor in oil, cattle and communications. Ohio. The Republicans' best chance to pick up a Democratic-held governorship. George Voinovich, a Republican and an opponent of abortion, was ahead in the polls against Anthony J. Celebrezze, who switched to a pro-choice position before the start of the campaign.

State legislatures

Normally obscure legislative races got national attention because the once-a-decade redrawing of political boundaries to conform to new census figures — and add or subtract seats in the House of Representatives — will determine the national strength of the Democratic and Republican parties. California, Texas and Florida are expected to receive up to 14 of the 19 U.S. House seats that are likely to shift between states.

California

The California ballot contained a multitude of single-issue measures, including Proposition 128, which would, among other provisions, ban cancer-causing pesticides, and Proposition 131, which would limit the terms of all state elected officials.

Women and minorities

A total of 8 women were running for governor, 8 for the senate, 68 for the House and 85 for statewide office. The previous House had 29 women, 24 blacks, 12 Hispanics and 6 Asian-Americans, and the Senate had two women Americans, and two Asian-Americans. Of the 50 governorships, there were three women, one black, one Hispanic and one of Hawaiian ancestry.



U.S. Investigates Misleading Mailing

By Michael Isikoff

Washington Post Service

WASHINGTON — The Justice Department says it is investigating the North Carolina Republican Party for possible violations of civil rights laws after finding that a "ballot security" program there had sent out more than 100,000 postcards that misled voters.

State Republican officials have acknowledged that the mailings went to voters in predominantly Democratic precincts. Any Casner, a spokeswoman for the Justice Department, said that department officials were gathering information to determine if the mailings were racially motivated.

The department could file a lawsuit if it finds that the cards were targeted at black voters, she said.

Ms. Casner said the mailings made false and misleading statements that were "almost intimidating" to recipients. The cards warned voters that if they had moved to another residence within the past 30 days, they were not eligible to vote, an assertion Ms. Casner said was untrue. The cards also said that it was a "federal crime, punishable by up to five years in jail, to knowingly give false information" about a name or address to an election official.

The postcards have become an issue in the Senate race between Senator Jesse Helms, the Republi-

can candidate, who is white, and the Democratic challenger, Harvey Gantt, who is black. Democrats have asserted that the mailings constitute "blatant intimidation" of black voters.

John Dunne, assistant attorney general for civil rights, said he had secured a pledge from the state Republican chairman, Jack Hawke, that no voter would be challenged at the polls because of information gleaned from the mailing — for example, that the voter's address was incorrect.

The Justice Department dispatched a team of lawyers to North Carolina to observe the voting Tuesday.

THE CLASSIC

'la collection'

Van Cleef & Arpels

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PARIS, GENEVE, MONTE CARLO, NEW YORK, BEVERLY HILLS, TOKYO, OSAKA, HONG KONG, SINGAPORE, SYDNEY, KUWAIT, MILANO, ROMA, MADRID, BRUXELLES, DEN HAAG, DUSSELDORF

AMERICAN TOPICS

U.S. Agencies Rated By Former Officials

The National Security Council is the best-run federal agency and the Bureau of Indian Affairs the worst, according to a Fortune Magazine survey of 250 former government executives. The next best were the Federal Reserve, the National Institutes of Health, the Council on Economic Affairs and the Office of the Treasury. The next worst were the Small Business Administration, the Indian Health Service, the Department of Education and the Office of Thrift Supervision.

All the former civil servants in the survey are members of the Council for Excellence in Government. They rated the agencies on quality of management, work force and service, and return on the tax dollar.

Mark Abramson, president of the council, said that, in general, the best marks went to older, more established agencies for which a political consensus exists. Those scoring lowest tended to be newer organizations lacking a political consensus for their missions.

About People

Ronald Reagan recounts in his new book, "An American Life," that when he was elected governor of California in 1966, he phoned his daughter Patti, who was 14 and away at school in Arizona. "She started to cry," he said, and "let me know that she didn't like having a member of the Establishment in the family." Patti Davis told The Washington Post that she cried because she realized then that "I had no choice, that the choice had not only been made for his life but for my life as well."

The Broadway producer David Merrick will not let the villain take a curtain call at the end of his revival of the Gertrude Stein musical, "Oh, Kay!" "This is an old-fashioned romance," a Merrick spokesman said. "The good people live happily ever after. The bad people are never heard from again." Actors' Equity has agreed to intervene in behalf of Mark Kenneth Smaltz, who plays the villain.

Short Takes

Belt-sander racing is catching on around the United States. With an ear-splitting whine, two sanders race side by side down a water-high, 24-foot, 7.3-meter long plywood track divided into two lanes, their electrical cords draped over the track's side walls, and into foot-thick foam

pads. They can cover the distance in as little as three seconds. Despite doubts about safety, no accidents have been reported. Some racers prefer coarse sandpaper for a firmer "bite." Others say finer grit provides more surface contact.

The Golden Gate Bridge in San Francisco made it unscathed through the 1989 earthquake, while a section of the nearby Bay Bridge collapsed. But authorities are studying the feasibility of quake-proofing the Golden Gate span at a cost of \$100 million. Replacing the 53-year-old bridge would cost 10 times that much.

New York hotels that serve tea in the late afternoon with all the trimmings — cucumber sandwiches, crumpets, scones, shortbread and such — have taken to calling it "high tea." The New York Times does not demur, but notes that in England, where tea-time started, "this kind of service is called simply afternoon tea, and the high tea is reserved for a humble meal in the evening," also known as supper.

Shorter Takes: New York policemen are drilling with U.S. Navy amphibious craft to make landings on the city's islands, in case of riots or demonstrations. The policemen do not splash ashore, though; they step onto piers.

Arthur Higbee

David Stirling, Founder of Elite British Unit, Dies

The Associated Press

LONDON — Colonel Sir David Stirling, 74, who in World War II founded the Special Air Service, an elite British special forces unit, died Sunday after a long illness, according to his biographer, Alan Hoo.

The Special Air Service, or SAS, with its motto "Who Dares Wins," remained on active duty after the war and has kept its reputation for swift, clandestine and effective action.

Born Archibald David Stirling on Nov. 15, 1915, the son of a Scottish brigadier general, he joined the Scots Guards at the outbreak of World War II. Six months later, he transferred to No. 3 Commando group of the Brigade of Guards and went with them to the Middle East.

He persuaded military authorities that "an army within an army" was needed to make secret raids against the enemy. With 6 officers and 60 enlisted men, he became known as the "Phantom Major" among the troops of Field Marshal Erwin Rommel's Afrika Korps after destroying at least 250 enemy aircraft and scores of fuel and ammunition dumps in attacks behind German lines.

In 1943, Colonel Stirling was taken prisoner in Tunisia. He escaped, was recaptured and was transferred to Colditz Castle prison camp in Germany, where he remained a captive for the rest of the war.

Guam Re-elects Governor

The Associated Press

AGANA, Guam — Governor Joseph Ada of Guam, was re-elected Tuesday, becoming the first governor to win consecutive terms in the U.S. territory. Mr. Ada, a Republican, defeated the Democratic challenger, Madeleine Bordallo.

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GOH: Is the Leader-Elect Too Nice? JAPAN: No Gulf Force

(Continued from page 1)

the successors he himself has chosen, is never far from the surface.

So Mr. Lee has made it clear he is not going away, but will sit as a senior member of the cabinet without portfolio. He will be prepared to intervene if the younger generation blunders badly.

He will continue to lead the country's only significant political party, the People's Action Party, which holds 80 of the 81 seats in Parliament.

As another gesture of mistrust in the successor generation, Mr. Lee has designed a new job, an elected presidency, with extraordinary powers to intervene in the life of the nation and its government.

The new president not only would monitor the country's finances and approve all key public appointments — to the police and judiciary as well as to state-owned companies — but also would be able to veto budgets and approve security detentions and bannings.

The idea of the elected presidency is to serve as a check on the government, a precaution Mr. Lee previously felt to be unnecessary. Although Mr. Lee has said that

he will not be Singapore's first elected president, few here think he will not be the second.

Waiting in the wings, in this society that Mr. Lee has tried to make less Western and more Asian, is Lee Hsien Loong, his son, 38. The younger Mr. Lee, trade and industry minister and deputy defense minister, has been chosen by Mr. Goh as one of two deputy prime ministers in the new cabinet.

Tellingly, it is the young Mr. Lee who will run the country when Mr. Goh is abroad, making the image of Mr. Goh as a convenient seat-warmer all that more obvious to citizens trained to see politics in familial, hierarchical terms.

Mr. Goh himself, in an interview with Agence France-Presse last December, was asked who would succeed him. "I think that's quite obvious," he said. "Lee Hsien Loong will be after me."

Mr. Goh said he wanted the transition to be imperceptible, "a no-event."

But Mr. Lee is not just any other prime minister, he said. "So the event is not my taking over — it's Mr. Lee stepping aside."

No Gulf Force

(Continued from page 1)

States and Mr. Kaifu's government are growing increasingly tense because of Japan's failure to back up its \$4 billion contribution to the Gulf effort with either troops or noncombat personnel.

It would have been the first time Japan had sent troops abroad since World War II. The proposal had been attacked by Asian countries that were victims of Japanese aggression in World War II and that fear a resurgence of Japanese militarism.

But a spokesman for the Japan Socialist Party, the biggest opposition party, said any fresh plan would have to exclude the Self-Defense Forces, as Japan calls its military. "There is no compromise on that point," the spokesman said. The opposition, which holds a majority in the upper house of parliament, could have blocked the bill there, even if it were adopted by the lower house.

But on Tuesday, the government appeared to have given up its attempt to get even lower-house endorsement for the bill.

(Reuters, AP, AFP)

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Mubarak Stand: Calculation, Anger

By Edward Cody
Washington Post Service

CAIRO — President Hosni Mubarak has placed Egypt in the forefront of Arab forces ranged against Iraq in a calculation of his country's political and financial interests, sharpened by personal anger against President Saddam Hussein of Iraq, according to sources here.

Mr. Mubarak's strong stand has meant the sending of 14,000 Egyptian troops to Saudi Arabia and several thousand more to the United Arab Emirates. The forces form the second-largest foreign contingent in the Gulf area, after those of the United States, and would help put a much-needed pan-Arab umbrella over the military action that is among options under study during the seven-nation tour by Secretary of State James A. Baker 3d.

The Egyptian leader has told Saudi Arabia that if asked, he would send still more forces, including warplanes, but the Saudi government so far has not taken up the new offer, sources said.

Foreign Minister Esmat Abdel Meguid of Egypt played a key role in a tripartite meeting last week in Jidda that opened the way for President Hafez Assad of Syria to go ahead with his earlier promise to send an armored division to Saudi Arabia. The 10,000 troops with 300 tanks began arriving Monday, augmenting an earlier, largely symbolic dispatch of 3,000 Syrian soldiers to Saudi Arabia and 1,000 to the United Arab Emirates.

Egypt, Syria and Saudi Arabia have care-

fully coordinated planning ever since the Gulf crisis erupted with Iraq's invasion of Kuwait on Aug. 2, a diplomat pointed out. Reports in Cairo said Mr. Meguid and his Saudi and Syrian counterparts planned another such gathering soon.

Just as important in the assessment of Egyptian and foreign analysts, Mr. Mubarak has held firmly to Arab League and UN demands that Mr. Hussein agree to withdraw completely from Kuwait as a condition for starting any negotiations on future Gulf relations or broader Arab-Israeli issues as sought by Iraq.

Mr. Mubarak emphasized Sunday, however, that UN economic sanctions must be given more time to work before any decision is made on military action.

According to Egyptian and foreign diplomats, Mr. Mubarak has expressed hope that the Iraqi leader can be forced into concessions without bloodshed if the U.S.-led Gulf alliance exerts enough economic, military and diplomatic pressure over enough time.

U.S. officials in Washington have said agreement on how much is enough is one of Mr. Baker's main goals on his trip.

Tahseen Bashir, an Egyptian analyst and former government official, suggested that Mr. Mubarak learned what pressure could do to Mr. Hussein in a meeting with the Iraqi leader in the mid-1980s, after Iraq's army suffered disastrous defeats at the hands of Iranian forces near Basra at the mouth of the Shatt-al-Arab waterway. Mr. Mubarak, who traveled to Baghdad at that crucial moment,

found Iraq's military command was near collapse and Mr. Hussein himself discouraged, Mr. Bashir said.

In response, Mr. Mubarak sent high-level Egyptian officers to advise Mr. Hussein on how to pull his military command back together and mount an effective defense.

Mr. Mubarak had no reason to suspect he was being lied to when Mr. Hussein reportedly told him shortly before Aug. 2 that he would not invade Kuwait despite threatening Iraqi troop movements. Mr. Mubarak relayed these assurances to President George Bush and other world leaders. In addition, Mr. Bashir pointed out, he made the assurances public, making him look glib before his own people when the news arrived Aug. 2.

"Mubarak was mad as hell," a diplomat said.

As a result, the Egyptian president took the lead along with Saudi Arabia in organizing an Arab League resolution condemning Iraq and endorsing dispatch of Arab and other foreign troops to the Gulf.

This policy has paid dividends to Egypt so far in assistance for its ailing and heavily indebted economy.

The United States has tentatively agreed to forgive a \$7 billion debt incurred through purchase of U.S. military supplies. President François Mitterrand, who met with Mr. Mubarak in Alexandria on Sunday, said he had responded positively to Mr. Mubarak's request that France forgive \$2.8 billion in military debts, part of \$8.5 billion owed Paris.

Iraq to Free 77 Japanese After Visit By Nakasone

By John F. Burns
New York Times Service

AMMAN, Jordan — Stepping up its policy of using hostage releases as part of an effort to deter a war over Kuwait, Iraq announced Tuesday that it would reward the visit to Baghdad of Yasuhiro Nakasone, the former Japanese prime minister, by freeing 77 of the 350 Japanese it has held since the Kuwait invasion on Aug. 2.

President Saddam Hussein ordered the release on Tuesday of 106 hostages, including the 77 Japanese, the Iraqi press agency, INA, said. It said Mr. Hussein's order also listed 20 Italians, 5 Swedes, 2 Germans and 2 Portuguese.

The announcement, following two meetings in Baghdad between Mr. Nakasone and Mr. Hussein, meant that the former Japanese leader would be returning to Tokyo with the second largest group of male hostages yet released by Baghdad, after about 260 French citizens who were released and flown to Paris last week.

But it appeared to fall short of the hopes of Mr. Nakasone, who arrived in Baghdad during the weekend aboard a chartered Boeing 747 with 350 seats.

On Wednesday, Mr. Hussein is expected to make a similar move in response to the visit to Baghdad of Willy Brandt, the former West German chancellor.

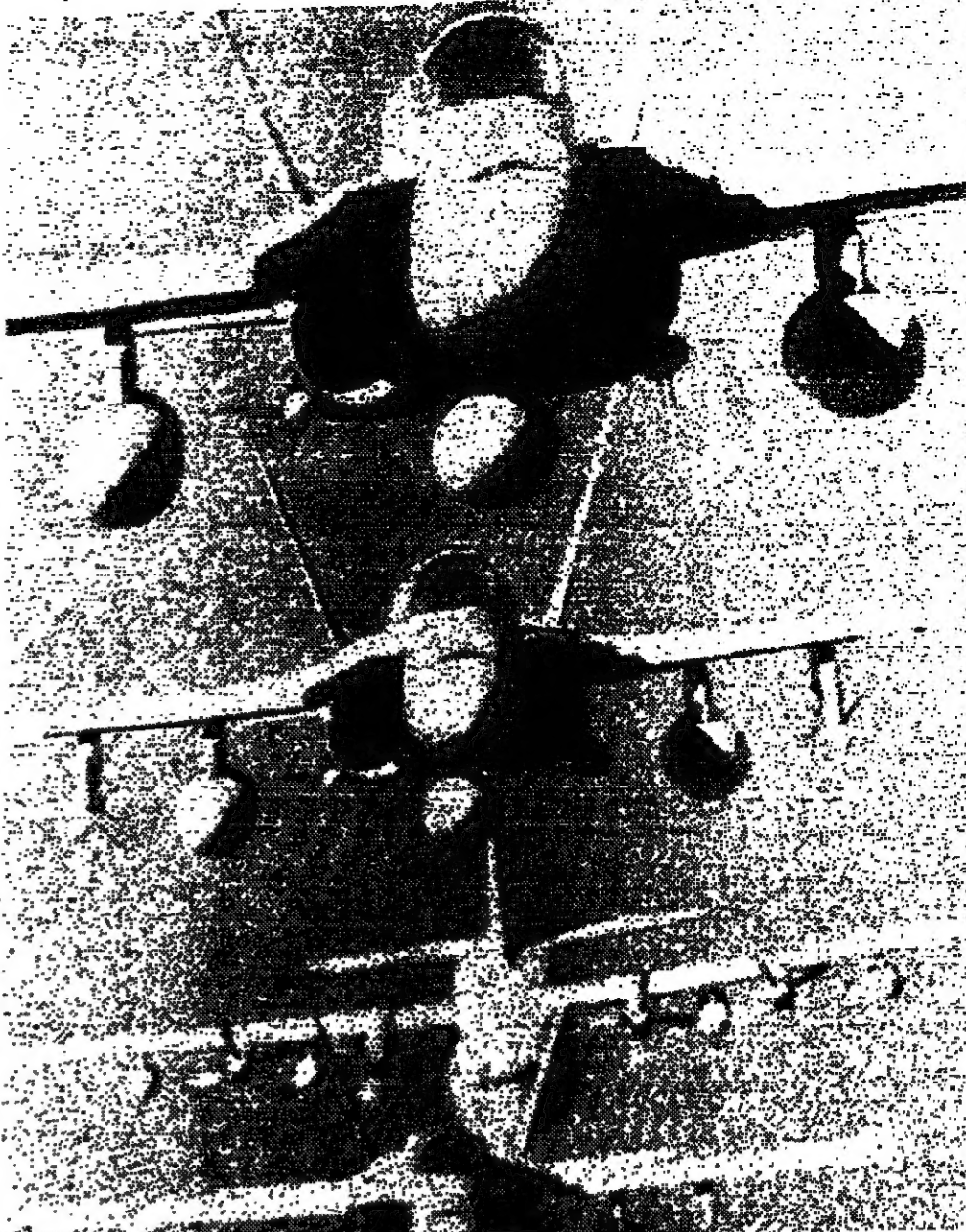
Mr. Brandt, who arrived in Baghdad in the face of strong opposition from some of Germany's European partners, will be seeing the Iraqi leader on Wednesday, and has said that he hopes to win the release of a substantial number of hostages of different nationalities, among them at least some of the 400 Germans held by Baghdad.

In a special meeting Monday called at the request of Germany, Belgium and the Netherlands, the EC ministers made it clear their line remained the one-for-all and all-for-one philosophy.

The three countries have criticized both Mr. Brandt's mission and the German government's endorsement of it, saying the trip violated an agreement made at a European Community meeting in Rome on Oct. 28, when the leaders attending pledged not to negotiate separately for the release of their citizens.

"We emphasize that there has been no deal with Iraq," a Japanese Foreign Ministry spokesman said Tuesday night in Tokyo.

Officials in Tokyo said Mr. Nakasone and his delegation, original-



AMERICAN PATROL OVER THE GULF — Three U.S. Marine Corps F/A-18 fighter planes flying in a tight formation Tuesday after they were refueled by a KC-130 tanker plane, at the rear.

ly due to leave Baghdad on Tuesday, delayed their departure for a day to accompany the Japanese home.

Like Mr. Nakasone, Mr. Brandt arrived in Iraq aboard a chartered airliner, in his case an Airbus with nearly 300 seats.

The journeys of Mr. Nakasone and Mr. Brandt are part of a quickening pilgrimage to Baghdad by prominent politicians from countries that have aligned themselves with the alliance against Iraq's seizure of Kuwait.

David Lange, the former New Zealand prime minister, has been in New Delhi awaiting a visa to make a similar mission to Baghdad, and Anker Joergensen, a former Danish prime minister, is in Amman, the Jordanian capital, also awaiting a visa.

Denish diplomats in Amman said that it appeared that Iraq had decided to delay Mr. Joergensen's

visit so that it followed those of Mr. Nakasone and Mr. Brandt, and thus allowed Baghdad to gain maximum publicity abroad for each of the visits.

The Iraqi gesture to Mr. Nakasone came as the former prime minister, in an interview with an Iraqi newspaper, appeared to distance himself from the position taken by United States, Britain and several of other major nations opposed to Iraq's occupation of Kuwait, in favor of eventual military action against Iraq if economic sanctions failed to persuade him to withdraw from Kuwait.

"I believe that this problem could be solved through peaceful negotiations," Mr. Nakasone was quoted as saying. "I am confident that international cooperation could prevent a destructive war."

Having the former head of government from one of the world's

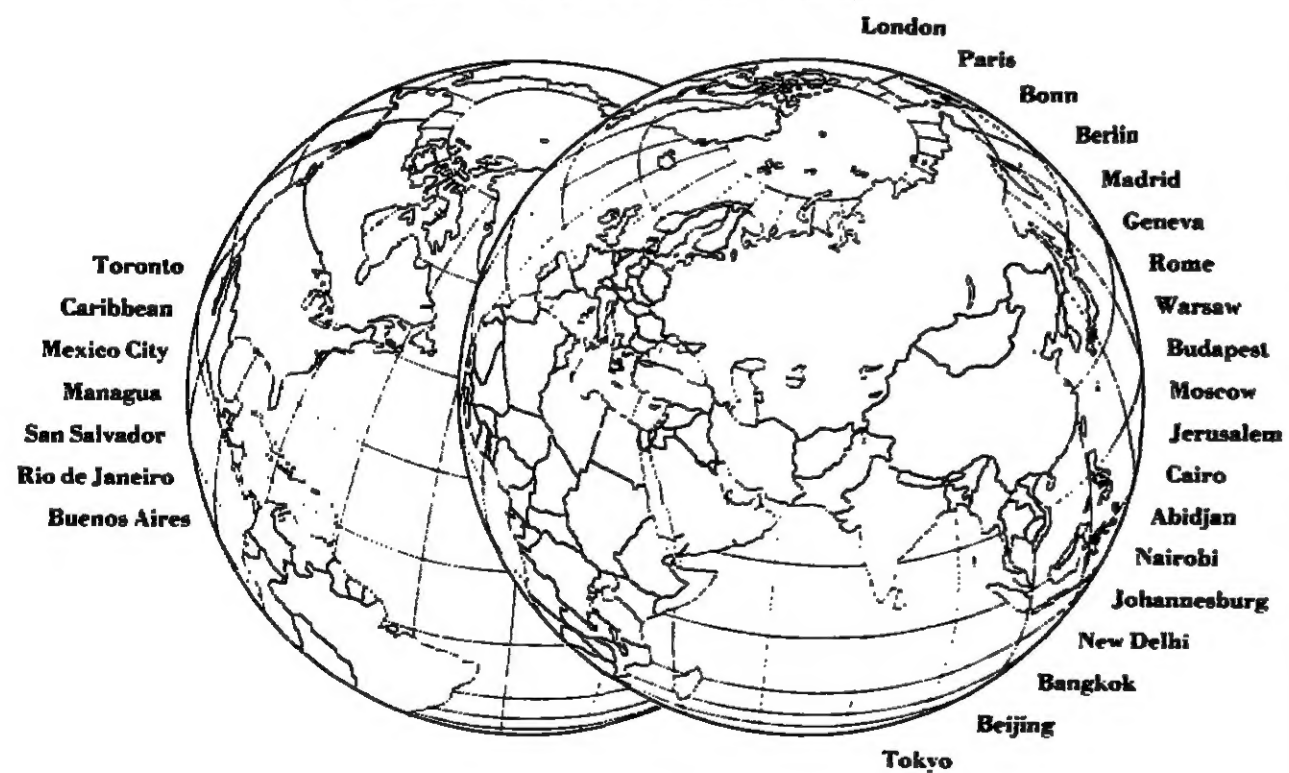
leading industrialized democracies speaking out against the use of force to obtain Iraq's withdrawal from Kuwait, and doing so in Baghdad, seemed likely to encourage Mr. Hussein in what has become a focal point of Iraqi maneuvering in the past month.

Since he received the former British prime minister, Edward Heath, in Baghdad last month, and allowed him to leave with 40 British hostages, Mr. Hussein appears to have decided that having prominent figures from the countries arrayed against Iraq over Kuwait visit Baghdad and plead for the release of hostages is a powerful way of influencing popular opinion in those countries.

As Mr. Hussein appears to see it, allowing hostages to go on a selective basis will convey the sense of flexibility by Iraq, even as it continues to say that it will never leave Kuwait.

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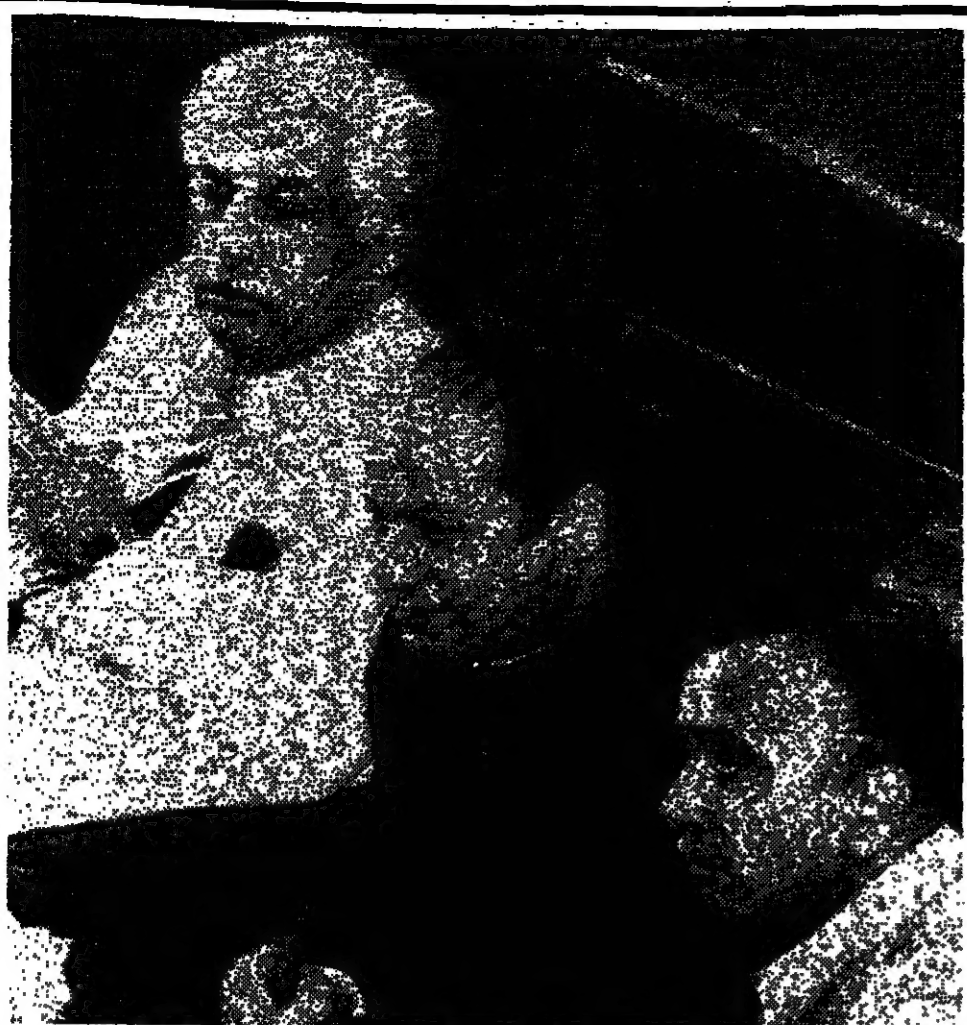
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NEW LEADER IN PAKISTAN — Mian Nawaz Sharif, center, taking notes in parliament in Islamabad on Tuesday before he was elected prime minister. The vote followed a walkout by supporters of the former prime minister, Benazir Bhutto, whose party suffered a sweeping defeat in elections last month. Mr. Sharif urged the government and opposition to work together.

Gandhi Guardedly Supports Breakaway Leader

By Barbara Crossette
New York Times Service

NEW DELHI — A party dissident who is expected to challenge Prime Minister Vishwanath Pratap Singh for the leadership of the government won a guarded pledge of support Tuesday from the opposition leader, Rajiv Gandhi.

The dissidents' leader, Chandra Shekhar, hopes to go into a special session of Parliament on Wednesday with enough votes to displace Mr. Singh in a vote of confidence. Mr. Gandhi's Congress (I) Party has 195 members in the 544-seat lower house.

Tuesday night, after a meeting with President Ramaswamy Venkataraman, Mr. Singh hit out at Mr. Shekhar and his followers.

"By some manipulation, some group has been formed which has no sanction," he said. "The whole nation cannot be handed over to them. They are trying to form a government where there is neither group nor party. Where is the mandate of the people?"

Mr. Gandhi, who preceded Mr. Singh as prime minister, said Tuesday after a meeting with Mr. Shekhar and other dissidents that they had had "a very good talk."

"We agreed to work together," Mr. Gandhi said, adding that how this cooperation would work still had to be discussed. Politicians agree that Mr. Gandhi seems inclined to engineer Mr. Shekhar's accession to the prime ministership as a stopgap measure until the Congress Party is strong enough to fight an election.

All attention is now focused on Mr. Venkataraman, who met with Mr. Shekhar on Tuesday, as well as with other politicians and parliamentary experts.

Mr. Venkataraman will be asked to choose between naming a government from the existing Parliament or calling new elections.

Mr. Singh favors early elections, as does the Bharatiya Janata Party, whose withdrawal of support from the governing National Front coalition cost Mr. Singh his parliamentary majority.

The Bharatiya Janata Party broke with Mr. Singh in part over his opposition to Hindu plans to build a temple to one of their gods, Rama, on the site of a 16th-century mosque in Ayodhya. The party believes it can increase its 86 parliamentary seats on the strength of Hindu revivalism.

Conversely, Mr. Singh thinks he can broaden his majority by appealing to Indians to reject religious politics. He also expects to capitalize on support among lower castes after his decision to extend a federal affirmative action program.

The Congress (I) Party, which was upset in November 1989, needs a weak caretaker government in place for up to six months to regain ground, said Ashish Nandy, a political scientist at Delhi's Center for the Study of Developing Societies.

Mr. Nandy said that Mr. Venkataraman, a Congress (I) Party supporter who owes his political career to the Gandhi family, is more likely to accede to Mr. Gandhi's wishes. He has not given any indication of his thinking, however.

Mr. Shekhar's followers were disappointed Tuesday when the speaker of the lower house, Rabi Ray, called the dissidents "unattached members" of Parliament. They have asked to be treated as a separate party, the Janata Dal (S).

The exact number in the dissident group is in dispute. When the crisis began, there were 140 Janata Dal members in the lower house and 38 in the upper house, which does not take part in the confidence vote. On Tuesday, the lower-house roster listed 115 Janata Dal members, accepting Mr. Singh's contention that 25 had been expelled.

While frantic last-minute political maneuvering goes on, Indian voters have become mere spectators, with no power to influence the choice of a new government unless the president accepts a request from Mr. Singh to dissolve Parliament now.

"Within the parliamentary system, you elect not only a king but also a court," Mr. Nandy said of the maneuvering among members of Parliament. "And then you have court politics — intrigue within the

cal negotiating and bickering goes on. Indian voters have become mere spectators, with no power to influence the choice of a new government unless the president accepts a request from Mr. Singh to dissolve Parliament now.

"Within the parliamentary system, you elect not only a king but also a court," Mr. Nandy said of the maneuvering among members of Parliament. "And then you have court politics — intrigue within the

court — and the ordinary citizen is reduced to the status of bystander."

Mr. Nandy said that among Indian intellectuals there was not much concern about the manner in which the Singh government will apparently be removed and replaced.

There is a greater fear, he said, of an election that would bring Hindu fundamentalism to the center of politics through a strong showing by the Bharatiya Janata Party.

"Intellectuals are deadly afraid of the BJP," he said.

Baggy Govardhan, the planning minister, said Tuesday that he had been offered a bribe of 5 million rupees (about \$300,000) by rivals of Mr. Singh as inducement to defect to their faction.

Mr. Shekhar, asked if it was true that money was being offered for support, said: "Let them say anything they like. I am not going to respond to that."

China Acts to Polish Its Image Overseas

By Nicholas D. Kristof
New York Times Service

BEIJING — Apparently concerned about China's poor image abroad, Chinese leaders are taking steps to try to spruce up their reputation with a new public relations effort aimed at foreigners.

A weeklong meeting on improving overseas propaganda ended Sunday, after hearing "important speeches" by three of the nation's top leaders: Prime Minister Li Peng, Jiang Zemin, the Communist Party general secretary, and Li Rui-huan, a senior Politburo member.

The contents of the speeches were not disclosed, but the official Xinhua News Agency said delegates agreed "that more efforts should be made to better present China to the rest of the world."

The leadership is also planning to establish an office in charge of overseas propaganda, a Western diplomat said.

An account of the meeting was published as the main article in

People's Daily, and the matter was regarded as important enough that five of the six members of the standing committee of the Politburo attended part of the conference.

Although considerable effort was put into domestic propaganda after the military crackdown against dissent in June 1989, and some was rather effective — particularly the use of television to focus on the soldiers who were killed or wounded — the leadership seems to recognize that it has done a poor job cultivating its image abroad.

"Our overseas propaganda has been handled very poorly," a senior official said. "It will have to be improved."

The problems are legion: Chinese officials normally refuse to give interviews in which they could explain their views; when they do meet foreigners, the officials often present a harsh, dogmatic image that does them little good overseas.

Information is regulated so tightly that rumors sometimes circulate for lack of official reports. Rumors

are often not denied, even when they are untrue.

The government's chief spokesman has a phone number that is officially a state secret.

And foreign journalists have been harassed and beaten and cameras smashed by the police. Some foreign correspondents are still followed.

Officially, there is already a Bureau for Overseas Propaganda, under the Communist Party Department of Propaganda. But the bureau appears inactive, and its director, Gao Liang, is a low-ranking official who has declined invitations to meet foreign journalists.

The conference in Beijing was attended by delegates from all over China, and Xinhua reported that "they all agreed that foreigners and overseas Chinese are very different from people in China in lifestyle, way of thinking and expression."

Therefore, the delegates resolved to study these differences and not simply apply domestic methods of propaganda to foreign audiences.

The delegates also called on leaders at every level to place great importance on foreign propaganda and put it on their daily agenda.

In one respect, the meeting appeared to have an immediate effect. China's official English-language publications did not translate the conference topic, "xuanchuan" in Chinese, as "propaganda." Instead, apparently sensitive to how that would sound in English, the publications translated it as a "meeting on the work of overseas publicity."

In another sign that China is growing more concerned about its overseas image, the latest issue of the official Chinese Translators Journal carries an article titled, "Translator, Come and Pay Attention to Propaganda for Foreign Countries."

The article said some literal translations — including Cultural Revolution rhetoric such as "the reddest, reddest sun" for Mao Zedong — seem strange to foreigners and even come across as baby talk.

Post-Sandinista Chic: It's Hip to Be Bourgeois

By Lindsey Gruson
New York Times Service

MANAGUA — Bourgeois is back. It is hip to be rich here. And better yet, to flaunt money if you have it.

After a decade of revolutionary asceticism, lipstick and other cosmetics are fashionable again. Business suits are in, jungle fatigues out; Mercedes Benz cars in, souped-up jeeps out; flashing new graphics in, murals of muscled workers out.

In the six months since the inauguration of President Violeta Barrios de Chamorro, this sweltering, once laconic city has begun hustling to a different beat.

Lobo Jack's, a discotheque that once catered primarily to middle-aged Sandinistas, is now jammed on weekends with younger people.

Dance bands have replaced the lonesome revolutionary ballads that used to delight audiences at El Cipitio, a coffeehouse owned by Salvadoran exiles that was once popular with Sandinistas and Sandalistas, as the shoddy clad foreign supporters of Nicaragua's previous government were called.

"People used to have a bad conscience to like and do things that didn't fit the revolutionary scheme," said Marcos Membrillo, the chairman of the sociology department at the University of Central America in Managua.

"Now they don't face so much the threat of being accused of being bourgeois," he said.

Nicaraguans describe the spruce young men and women who have taken over this class-conscious society as "Miami Boys."

Although many are relatively well-to-do newly returned exiles, most never left the country. They simply copied new trends from imported magazines that are sprouting on news racks.

The new attitude is faintly re-

flected in a profit-hungry business climate.

In something of a construction boom after a decade of decline, Managua hums to the sound of housing renovation. Rents are skyrocketing. Owners of single-family houses, who asked \$800 a month in rent, as little as four months ago, now demand and get from \$1,500 to \$2,000 a month, said an official who finds lodging for the growing diplomatic corps.

When Mrs. Chamorro was inaugurated in April, most indexes showed Nicaragua to be the hemisphere's poorest country after Haiti. The poverty has only deepened.

Many Western diplomats blame Sandinista efforts to sabotage the economy. Still, a full-time job remains little more than a fading campaign promise for about half of all Nicaraguans. Although there is plenty of rich farmland, hunger is common.

Government officials maintain that the newfound fashion consciousness shows that attitudes are changing and that their economic program is taking root.

Many sociologists and economists give the Sandinistas credit for some of the changes. After years in which consumption of even basic necessities was sacrificed to Communist goals, they reversed course two years ago, opening the economy to private enterprise. Consumer items like cosmetics were soon on the market.

But the embrace of consumerism has caused some resentment.

While waiting in Managua for a police station to reopen after a holiday, a group passed the time complaining of the legendary inefficiency of Nicaragua's bureaucracy.

"Go back to Miami!" a man suddenly yelled. "This is not Miami or California or wherever you're coming from. This is Nicaragua, and we are Nicaraguans who stayed."

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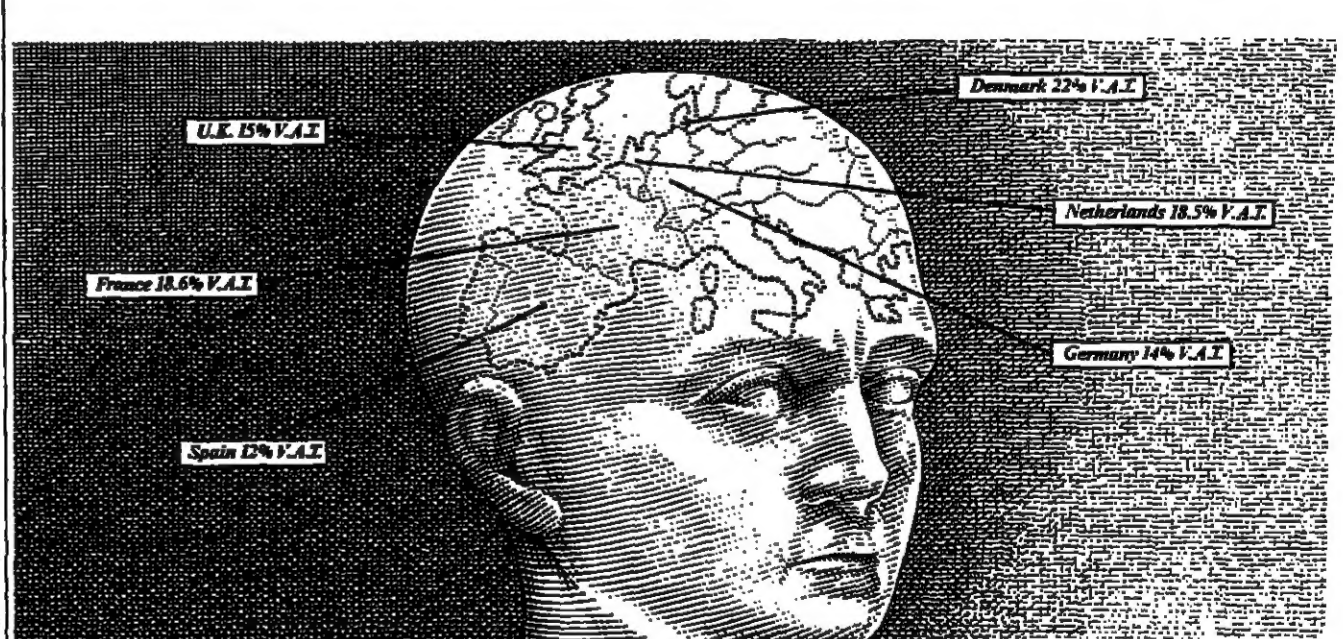
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OPINION

As U.S. Foreign Policy, 'I've Had It' Falls Short

By George F. Will

WASHINGTON — When Secretary of State James Baker stood in the Saudi Arabian sand and told American soldiers they were really at home because "Americans are at home wherever our principles are," an unenthralled soldier responded, "Let's do something or go."

It will not suffice to say to the soldier that, like an ICBM in Wyoming or a battalion in Germany, the Desert Shield deployment is doing something — deterrence, containment. The Bush administration is risking an indispensable military asset, public opinion, because it says the goal in the Gulf is not just to give a garbled message about what the goal is.

Mr. Baker told the soldiers that we must not make the sort of mistakes made "in the 1930s," but many of the soldiers hearing him do not remember Elvis, much less Mussolini. President George Bush says the soldiers are there because a principle is involved. Is it that (as Mr. Baker told the troops) "all nations have a right to be free, free from aggression"? Or is it (as Mr. Baker also said) that we are establishing "a whole new international order"? That may take a while.

Mr. Bush says, "I'm not trying to sound the tocsin of war" but "I've had it" with Saddam Hussein, who is more brutal than Hitler. (Mr. Bush meant that Hitler never abused an embassy, a continent, but not an embassy.) Mr. Bush says: "We're prepared to give the sanctions time to work" but "sand is running through the glass. I don't think the status quo can go on forever."

There is much room between three months and forever, and surely Mr. Bush must wait much longer.

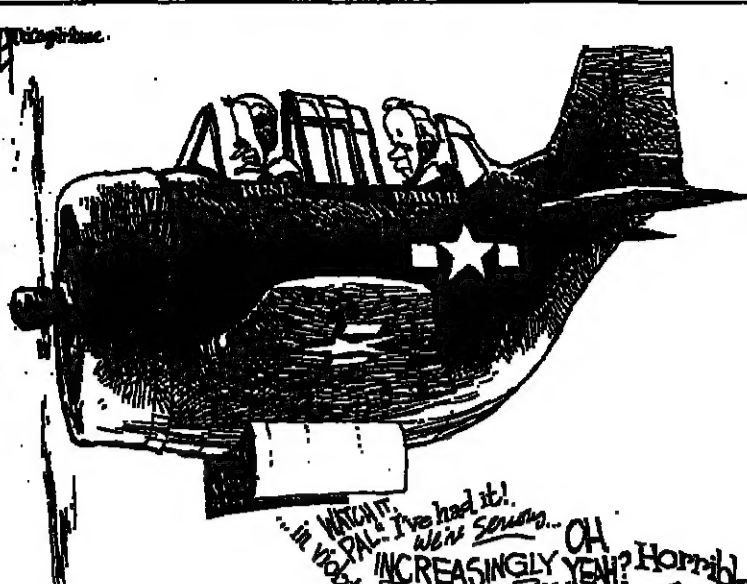
When the embargo was imposed, the question was: Why will this embargo succeed when so many have failed? There are reasons for optimism. Iraq's military machine depends on spare parts. But if the necessarily protracted process of economic attrition is really a strategy against Saddam Hussein rather than a stratagem to kill Americans while a war-fighting capability is assembled, then the embargo must be given much more time. Otherwise, an outbreak of war will be accompanied by a president-cy-breaking outbreak of cynicism.

Mr. Bush says that Iraq's aggression will be reversed, but that the Desert Shield deployment is "wholly defensive." But it cannot be that, if it is to be credible as an alternative to the embargo as a means of establishing the status quo ante (late Aug. 2).

That reiterated goal precludes declaring every day a victory of containment and bringing some of Desert Shield home. To do so would involve defining victory merely as deterrence.

But Mr. Baker almost makes that the goal when he suggests U.S. participation in permanent regional security structures "necessarily to contain Saddam," as U.S. forces in NATO and Korea have been deterring aggression for decades.

Vice President Dan Quayle, saying he is repeating something Mr. Baker believes, says that even if Iraq withdraws unconditionally from Kuwait, "we would have to go beyond that" because Saddam Hussein cannot be



Thirty Sound Bites Over Baghdad

allowed to keep the weapons he has (chemical and biological) or acquire those he desires (nuclear). Saddam, says Mr. Quayle, is a murderer and a terrorist who is destroying a nation "and that cannot be tolerated."

Never mind that America's new-found friend, Hafez Assad of Syria, is a mass murderer and a certified terrorist who is devouring Lebanon. Mr. Quayle's principle makes the embargo and Desert Shield (punitive deterrence) merely the thin end of a large wedge — a global U.S. duty to punish aggression and impose certain kinds of arms con-

trol. If so, American military personnel are going to see much of the world. And they should bring along the judiciary. President Bush says he is not preparing the nation for war. But he is warning Saddam Hussein about war crimes trials.

A "top official" tells The New York Times, "It's the budget mess all over again — flip-flops, a message out of control and nobody in charge." Another official says, "We seem to be zig-zagging because sometimes it's less a matter of a game plan and more a matter of the president's moods."

An expression like "I've had it" confuses autobiography with foreign policy, and Mr. Bush's subjectivism goes further. About Saddam Hussein and Hitler, Mr. Bush says: "I don't think I'm overstating it. I know I'm not overstating the feelings I have about it."

Feelings, facts, what's the difference? A lot, actually. This president wants to seem to be so serious about substance that he does not worry about style. He should be told that incoherence is a substantive, not merely stylistic, defect.

Washington Post Writers Group.

Stuck in Disaster Mode And Telling All About It

By Richard Harwood

WASHINGTON — During the century or so when newspaper competition was fierce in America, we learned that sensationalism and hyperbole were effective weapons in the wars for your nickels and dimes. Presses spewed out a daily diet of crises, disasters, catastrophes, tragedies, cataclysms and killers on the loose. As recently as the mid-1960s, standing orders required that the first edition of each day's Wash-

ington Post carry a jazzy banner headline to promote street sales.

Those commercial necessities are largely behind us. The tabloid rage, in this era of local newspaper monopoly, will be extinct, I would guess, before the century is out. The habit of hyperbole, however, hangs on in newsrooms filled with utopian visions against which present realities are harshly judged. "We see problems," the political correspondent Paul Taylor has written with great understatement, "more readily than solutions." He quotes Gay Talese, who said of us: "Gloom is their game ... normality their nemesis."

MEANWHILE

The great budget marathon, as an example, was depicted for many weeks as a morality play that would, in the end, require sacrifice and suffering of Americans. I seemed to hear at times echoes of the Battle of Britain — blood, sweat, tears and all that.

To demonstrate the point, the "media" invoked the weekend shutdown of a few tourist attractions in Washington. A front-page story in The Post recounted the sad tale of a Scout leader who had "waited a lifetime" to make the trip, only to find the Washington Monument closed for the day. A modern Lewis or

Clark, he had come all the way from Rochester, New York, which, I have since learned, is more accessible than the Arctic Circle and is reachable daily for \$65.80 via Greyhound bus. In the end, there were no draconian consequences to the budget "crisis."

The hyperbolic tendency — equating inconvenience with disaster and jaywalking with grand theft — reveals itself almost daily in Americans' near-paranoid obsessions with each dimly perceived threat, from killer apples to killer bees. The same tendency prevails in dealing with the country's shaky economy. CBS already has begun a nightly series titled "Bad Times." Newsweek's cover asks: "How safe is your job?"

The American economy clearly is in an unsettled state. It is on a plateau or approaching recession, which may cause genuine hardship. But either way, America is not Bangladesh. The GNP approaches \$6 trillion. The material standards of Americans' lives remain the envy of much of the world.

Still, The Wall Street Journal reported last week, the country is in a state of "clinical depression ... the mood is disproportionately dark." Economists, said the Harvard economist Robert Reich, "is not a fiscal science but about psychology and sociology."

The press is a major contributor to this fearful state of mind. Journalists' negativism is indiscriminate and now extends to our own business, which is going through a moderately rough patch. We report with alarm that cost-cutting is the order of the day. Vacancies go unfilled. The \$80 lunch is no longer considered patriotic. Advertisers are skittish.

What we tend to ignore is the truism that it is all relative. Newspapers may be experiencing a "recession" of sorts, but they collected more advertising dollars in the first half of 1990 than in any other six-month period in the history of publishing. The big media companies sing the blues. The Post, the Los Angeles Times, The New York Times and the Gannett chain included. But their combined sales through the first three quarters of the year broke all records and exceeded last year's bullish results by about \$150 million. Their profits are down but still total hundreds of millions of dollars, which should keep the gray wolf from the door at least through Christmas.

Perhaps what we need in the news business just now are a few sunny characters in the mold of Johnnie Armstrong. Felled on the battlefield, he had a cheery word for his fellows:

"I am a little wounded, but I am not slain."

"I will lay me down to bleed a while, 'Then I'll rise and fight again."

Johnnie, I fear, would be depicted today as a victim of Pentagon bungling who ought to lie still and wait for his lawyer.

The Washington Post.

LETTERS TO THE EDITOR

The Regulation of Culture

As I read Charles Krauthammer's column "Liberty and Mass Culture Have Spawned a Nasty Mess" (Meanwhile, Oct. 31), I could feel disappointment rising. I could not believe that Mr. Krauthammer was going to let his shallow and narrow analysis of America's predicament lead him to the limitation of liberty and to the regulation of culture. But so he did.

Does he not know who was there

before him? Stalin, Hitler and Mao — to name a few. Surely his culture tells him why Socrates was given hemlock.

And does he really believe it is the photographs and the books, the music and the movies that bring the underclass rampaging out of their trashed slums and their trashed lives?

Are we to pass so lightly over Congress's pondering to the rich and neglect of the poor? Over Ivan Boesky and the triumph of greed? Over a president absolutely stupified by "vision"?

Life imitates art? Perhaps. But they both come from the soul, and I suggest that it is in our souls that we should start the search for the cure to this "nasty mess."

HERMAN ARCHER,
Cairo.

It should not come as a surprise that young Americans are involved in ever-

increasing numbers of both petty and serious crimes and, more tragically, suicides. Any visit to a major conurbation leaves one saddened. One finds self-interest, materialism, cynicism and a lack of caring. America's social values continue to be dragged down by these influences. Any influence of art comes a distant and irrelevant second in shaping the opinions and lifestyles of the young.

THOMAS HARRISON,
Cley, England.

Mr. Krauthammer, a former psychiatrist, writes of psychotics who immolated themselves. We live in a world where whole nations accept the possibility of immolation. One does not have to be psychotic to harbor images of nuclear holocaust. Yet he gets extremely upset about young people wired by Walkmen [that] is busting, breaking, bleeding."

Isn't war the lowest common denominator? Do we need to search pop culture for brutality and cynicism?

GREGORY BERGLUND,
La Clout, France.

A Prominent Newcomer

Your readers should be fully informed of such a prominent newcomer to American politics as John Silber, the Democratic candidate for governor of Massachusetts. David S. Broder, ("Can the Democrats Keep Hold of This Tiger's Tail?") paints Mr. Silber as an angry bully whom some other journalists call an "opportunist." Robert Kuttner ("The Chances Liberals Wait For," Oct. 30) calls Mr. Silber "the thinking man's David Duke." In the context of the description of Mr. Duke as a former Klansman, this implies that Mr. Silber is a kind of white supremacist. The impres-

sions left by both these articles are false.

As a scholar, Mr. Silber is best known for his interpretations of Kant's "Religion Within the Bounds of Reason Alone." Politically, he was a New Deal Democrat who vigorously defended his fellow Texan, President Lyndon Johnson.

I know how straightforward and tough Mr. Silber is in an argument, because I differed with him on Mr. Johnson. Yes, he is a good fighter, but no, he is not unfair. Due attention should also be paid to Mr. Silber's 1989 book, "Shooting Straight: A Course of Action for Our Troubled Times," and to his analysis of what is wrong with education.

Mr. Silber is not a newcomer to administration. He worked his way up to dean at the University of Texas and has managed the very difficult post of president of Boston University. Woodrow Wilson went from the presidency of

Princeton University to the governorship of New Jersey, and Dwight Eisenhower went from the presidency of Columbia University to the White House.

Mr. Broder got one thing right: Mr. Silber will be a national figure.

PAUL G. KUNTZ,
Venice.

Paying for Happy Returns

In a response to the assertion that rich families got extraordinary tax breaks in the Reagan years, George F. Will ("The President Has Reason to Find Things Confusing," Nov. 1) writes that the rich now pay a larger percentage of all tax revenues than they did in 1980. But the income of the rich has risen more steeply than anyone else's; of course their taxes make up a larger chunk of the total.

STEPHEN F. GRUBER,
Geneva.



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LONDON THEATER

Camping Up the Late Late Movie

By Sheridan Morley
International Herald Tribune

LONDON — Sadly, Charles Ludlam's off-Broadway Theatre of the Ridiculous never made it to London in his lifetime. But three years after his death, we finally have at the Ambassadors his "The Mystery of Irma Vep," arguably the masterpiece of a curious genre of high-camp parody that depends on its audience having watched as many really terrible midnight movies as its creators.

The inspiration for "Irma Vep" is essentially a mix of "Rebecca," "Return to the Mummy's Tomb" and "Gaslight," though the soundtrack of "Psycho" is borrowed for especially bloody moments of melodrama. In the United States, the form would be known as B-to-Z

movies, in Britain something about halfway between "The Mousetrap" and "Hammer House of Horror." At the outset, we are in the drawing room of an evidently already haunted house. Opening lines like "Don't clump that wooden leg, Nicodemus" indicate that post-modernist reality is unlikely to be on the agenda, and sure enough the furniture is soon found to include recently deceased wolves and a portrait more alive than dead.

Maria Aitken's wonderfully agile production rapidly establishes an evening of gothic eccentricity, a colorful parody of Daphne du Maurier and Agatha Christie, riddled with snobbery and violence and dark doings around the Druids. "It is no good asking people to believe in the supernatural," notes a dowager, "when they already have enough trouble with the natural."

Nothing here is quite what it seems. A cast of two must become nine. Irma Vep herself turns out to be a vampire in anagram, and soon enough we are in Egypt with the curse of the mummies. Dark hints of werewolves and transvestites and heights that are truly wuthering lead us into a comic cult thriller that triumphs because it has an internal logic that does not require you to know every line uttered by Mrs. Danvers in "Rebecca." But if you do, there will be special delight in recognizing their reworking.

Like Anthony Shaffer's "Sleuth," this is a whodunit that feeds off its own back references. Nicholas Grace and Edward Hibbert share with their quick-change dressers backstage a triumph of farcical invention and dexterity. It is one that will be all the more appreciated by those who have fi-

nally got around to seeing "The Mousetrap" next door, since the producers (unlike those of many recent Broadway imports) have wisely made some trans-Atlantic adjustments for local audiences.

In a week of two-handers, the major disappointment has been "Bookends" at the Apollo. Coming from the same stable as the recently triumphant "Jeffrey Bernard is Unwell" (author Keith Waterhouse, director Ned Sherrin) at the same address, this is a disastrous attempt to stage "The Marsh-Marlowe Letters" of Craig Brown. These were themselves a parody of the "Lyttelton-Hart-Davis Letters," a correspondence that ran to several volumes, in which a successful London publisher wrote to and received letters from his old public schoolmaster in rustic retirement.



Nicholas Grace and Edward Hibbert in Ludlam's "The Mystery of Irma Vep."



The Traveling Wilburys: George Harrison and Tom Petty in back; Jeff Lynne and Bob Dylan in front.

Shaking, Rattling 'n' Gripping

By Jon Pareles
New York Times Service

JUST about everybody has one or knows one: a garrulous elder relative, maybe an uncle, with a gift for punctuating family decorum. He'll share a racy joke, grumble about the state of the world, make faces at solemn moments, gripe and snicker at signs that he's not getting any younger. For their second album, "Vol. 3" (Warner Brothers), the Traveling Wilburys have forged a collective persona a lot like that uncle. From the youngest Wilbury, Tom Petty, 37, to the oldest, Bob Dylan, 49, they're ready to lead rock into an unseemly middle age.

"Wilbury Twist" is probably the first would-be dance craze to instruct "Fall on your ass / Get back up / Put your teeth in a glass." The Wilburys appeared in 1988, when Dylan, Petty, the ex-Beatle George Harrison, Jeff Lynne from the Electric Light Orchestra and the rockabilly tenor Roy Orbison made "Volume One." Their names didn't appear on the album, but their faces and unmistakable voices did; so did sly allusions to their songs.

More than most all-star efforts, the Wilburys amalgamated a style with traces of all their contributions: Dylan's pithy, picaresque verbal style, Harrison's and Petty's rock tunes with pop twists, Lynne's vocal chorales, Harrison's legato lead guitar and pumping saxophones. Floating free of the other Wilburys' nasal lead vocals, Orbison's yearning tenor would declare things like, "I'm so tired of being lonely."

The songs juggled darkly sardonic tall tales with reassurance and the possibility of love. After Orbison's death in December 1988, the Wilburys lost most notions of romance. Like "Volume One," "Vol. 3" stays close to 1950s and early 1960s rock roots, drawing on blues, doo-wop, rockabilly and Buddy Holly. But it is faster, jokier, lighter and meaner than the first album, as the band indulges its bile and paranoia along with humor.

The Long, Boring Death of Beijing Opera

By Nicholas D. Kristof
New York Times Service

BEIJING — When an American tourist in Beijing wanted to thank a Chinese friend for his hospitality, he invited the host to an evening of traditional opera. Beijing opera is world renowned, and the American assumed it would be a great treat.

Halfway into the show, the American found himself dreadfully bored, so he leaned over and asked the friend if he came often to see Beijing opera. The Chinese said he had not been to an opera in 10 years. Somewhat patronizingly, the American asked if it was too expensive.

"No," the Chinese said. "But don't you find it terribly boring?" That seems to be the general attitude these days, and while Beijing opera is celebrating its 200th anniversary this year, nobody seems to notice or care. Even many performers acknowledge that it is facing a crisis.

"My own children don't like Beijing opera," admitted Lu Ruiming, director of the Academy of Beijing Opera. "When there's a Beijing opera on the television, they turn the channel." While opera of one kind or another have been performed in China for hundreds of years, the particular form known as Beijing opera traces its origins to the year 1790, when Emperor Qianlong celebrated his 80th birthday.

Among the opera troupes that came to participate in the celebrations were some from central China's Anhui province, and they were received particularly well. After the celebrations, some of the Anhui singers remained in Beijing to perform for the public. Over the next 50 years their style was blended with musical influences from Wuhan and other cities to form what is now recognized as Beijing opera.

An evening at Beijing opera could scarcely be more different from an evening at La Scala, and the difference begins with the attitude of the audience. Opera in China is not a luxury, but has more of the ambience of a Western picnic. Viewers dress casually, and occasionally chew on sunflower seeds and chat with their neighbors as the actors perform.

On the stage, the performers wear beautiful costumes, but the sets are very simple. Homes are never brought onto the stage, even though they are constantly part of the action — their presence is implied by the acting.

The actors sing in voices that strike a Westerner as warbling falsetto, move in formal and sometimes highly exaggerated ways, wave their wrists, sleeves flying and shuffle forward and backward in ritualized movements that connoisseurs admire. Periodically, actors engage in highly stylized kung fu fights.

ACROSS

- 1 Conditions
- 4 Beer flavoring
- 10 Boor
- 13 Catch some Z's
- 14 Sheltered, on the briny
- 15 Island east of Java
- 16 Skirt style
- 17 Monetary unit of Italy
- 18 Part of U.C.L.A.
- 19 Tryst
- 21 Contest
- 22 Fourth-rate grade
- 23 Square dance V.I.P.
- 25 Out of breath
- 29 What shalom means
- 31 Muslim ruler
- 32 Blood cell
- 36 Clothing
- 37 Mme. Curie
- 38 Resign from
- 39 Stamina
- 41 Potato, e.g.
- 42 Tither's portion
- 43 Fold
- 44 Deli meat
- 47 By way of
- 48 Thicker or King
- 49 Lucille Ball was one
- 50 Monologist Sahi
- 51 "Central Park"
- 52 Present a case
- 53 Drill
- 54 Monthly payment
- 55 Kind of labor
- 56 Some
- 57 Closes
- 58 Consumed
- 59 Raison d'
- 60 Handiwork?
- 61 Dreamer's eye movement, for short
- 62 Gad about
- 63 El — of Espana
- 64 Brazilian dance
- 65 Crazy as —
- 66 Friend of Moe and Curly
- 67 Heat outlets
- 68 U.S. match for Becker
- 69 Do as told
- 70 Rains or Grass
- 71 Nifty
- 72 Church section
- 73 End of a Sternbeck title

DOWN

- 1 Russian despot
- 2 That Parisienne
- 3 Bride strap
- 4 Heal
- 5 Radar catch
- 6 Reduce 50%
- 7 Potpourri
- 8 Llama land
- 9 Maritime painting
- 10 Venice "super"
- 11 Carrot herome
- 12 Cousteau employee
- 13 Kind of vaudeville
- 14 Zorro's mark, to Fergie
- 15 Puncture precursor
- 16 Carry on, as war
- 17 "Old Cowhand"
- 18 Twerp's cousin
- 19 Society ingenue
- 20 Spot for a swing
- 21 Buffalo's lake
- 22 "This Be Love"
- 23 Desi Amaz's homeland
- 24 Is situated
- 25 Raison d'
- 26 Handiwork?
- 27 Dreamer's eye movement, for short
- 28 Gad about
- 29 El — of Espana
- 30 Brazilian dance
- 31 Crazy as —
- 32 Friend of Moe and Curly
- 33 Heat outlets
- 34 U.S. match for Becker
- 35 Do as told
- 36 Rains or Grass
- 37 Nifty
- 38 Church section
- 39 End of a Sternbeck title

Solutions to Previous Puzzle

ODESSAS CDE PAC
TOLUENE HIM AVA
TRESPASSERS CID
SENAT EURE LADY
SANAA FICHU
ALOOF TACKLE
SPAN KIRI FRAIL
PORTS SAD TETRA
AUGHT EGOS TEAM
STOOLS ELEMI
NO HIT LEAPS
LUCY OTTO SMITE
IRA FREEMASONRY
EGG LEM ABETTON
DEE YDS REDTAPE

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HARRY WINSTON
The Ultimate Timepiece

NEW YORK 716 FIFTH AVENUE 1009 • (212) 245-2300
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BEVERLY HILLS 371 N. RODEO DRIVE 91031 • (310) 855-1854

GENEVA 34, QUAI GENERAL GUISAN • (0) 20 36 65
MONTE-CARLO HOTEL DE PARIS • (0) 50 72 10
TOKYO HOTEL SEYO • 1, GINZA CHUO-KU • (03) 535 6341

Dining Out

AMSTERDAM	PARIS 6th	PARIS 15th	PARIS 17th
HAESJE CLAES Real Dutch Cooking. Open from lunch until midnight. Spacious 275. Tel.: 24 99 98. Reservations recommended. All major credit cards.	YUGARAJ Of all the Indian restaurants, this is by far the best & most authentic. (GALATI-MALLU). Closed Monday. 14 rue Dauphine. Tel.: 43.26.44.91.	LE TAGORE The new Indian restaurant. Multiple specialties, surely one of the best among the foreign restaurants in Paris, two "Togues" in the Grill at Milla 1990, 25, Ave. du Maine. Tel.: 45.44.94.41.	PETRUS Restaurant specializing in fish. Menu 240 FF TTC. Service until 11 p.m. every day. Valet service. 12, Place du Marché Jouin. Tel. Res. 43.80.15.95.
FLensburg	CHEZ LES ANGES In the Michelin Guide, Burgundy Spec. Gastronomic cooking. Cl. on Sun. eve. 54, Bd. Lasser-Maubourg. Tel.: 47.05.86.86.	LE WESTERN The only restaurant with specially imported beef from the U.S. Business lunch 17.20, wine included. Open daily. Tel.: 47.23.21.00. Paris 15th, 18, Ave. de Suffren.	LE TERNES-PEREIRE Close to Porte-Maillot and the Palais des Congrès. Restaurant/Boccone, continental service from noon to midnight. Shellfish, fish, open all year. 84 av. des Ternes, 75017 Paris. Tel.: 45.74.33.35.
CHEZ PAUL "Hotel of the North" • B 200 * Delicious French cuisine in one of the best and charming restaurants in Northern Europe. Phone 041 - 7021.	THOUMIEUX Specialties of the South-West. Confé de canard & cassoulet au confit de canard. Open everyday. 79 r. St-Denis. Tel.: (1) 47.05.47.75. Near Invalides Terminal.	AL GOLDENBERG Smalls, herring, Potatoes • Cream cheese bagel and hot homemade • Cheese cake & all the prod. Jewish spec. 89 Av. de Wagram. Tel.: 42.27.34.79. Every day up to midnight.	ROME
L'ALSACE aux HALLES Suffish, Fish, Chateaubriand. Day and night. 16, rue Coquillière. Tel.: 42.36.74.24.	KOK PING On the Champs-Élysées. Gastronomic Chinese and Thai restaurant. Menu about 230 FF TTC. Closed Saturday-Sunday noon. 4, rue Biot. Tel. Res. 42.25.26.85.	CHEZ FRED Lyonnais bistro, traditional French cooking. Daily specialties. Closed Sundays, 140 bis, bd. Pereire, 75017 Paris. Tel.: 45.74.33.48.	DA MEO PATACCA Traditional. Best. famous for fun food, music & folklore. 00133 Rome, Piazza de Mercati 30. Tel. 06-5816198. 5897193. Fax 582552.
CHEZ PIERROT Enjoy the traditional cuisine and welcome of Bourgogne with its Burgundian wines. Service until 10.30 p.m. 18, rue Bienne-Morand. Tel.: 45.01.17.64.	MACADAM Tex-Mex & American classic food-bar cocktail. Sunday brunch, open all 1.00 a.m. every day. 1 Rue Delambre. Tel.: 43.25.43.86.	LA COTE D'AMOUR Dine in a refined setting, close to l'Etoile. Gastronomic menu, about 230 FF. Free parking opposite 44, rue des Acacias. Tel.: 42.67.15.40.	KERVANSARAY Turkish & Int'l specialties, lobster bar, best seafood restaurant, 1st floor. Mahatma, 9, Tel.: 5128843. Air conditioned. 80 m. Opera. Noon-3 p.m. & 6 p.m.-1 a.m., except Sunday. Open holidays.
			VIENNA

MARKET DIARY

Stock Prices Fall On Profit Taking

United Press International
NEW YORK — Prices were lower at the close of the New York Stock Exchange on Tuesday in light trading, pressured by profit taking after two days of gains, and by higher oil prices.

The Dow Jones industrial average, which rose 11.39 points on Monday, lost 17.08 to 2,485.15.

Declines led advances by a margin of 11 to 10 on the Big Board, where volume amounted to 141.13 million shares at 4 P.M., compared with 147.5 million Monday.

Prices were mixed in light trading of American Stock Exchange issues.

The Dow industrials advanced almost 50 points in trading Friday and Monday, and analysts said some traders saw an opportunity to take some profits Tuesday.

Analysts have said that they expected to see investors selling into rallies with the economy faltering and the crisis in the Middle East still unsettled. Tuesday's weakness

also stemmed from a rise in oil prices.

The auction Tuesday of three-year government notes, the first leg of the Treasury's quarterly refunding, did not have much effect on the market.

Yields declined on the notes to an average of 7.78 percent at the start of the refunding, the lowest since 7.77 percent on Nov. 9, 1989.

Browning-Ferris was the most active issue, plunging 5 1/4 to 24 1/4 after reporting a sharp drop in financial fourth-quarter earnings because of a special charge related to the settlement of litigation.

Fannie Mae followed, off 1/4 at 30. Waste Management was third, down 2 at 33. The company joined Browning-Ferris Monday in settling an antitrust lawsuit alleging price fixing in the waste container business.

Among the blue chips, International Paper gained 1/4 to 48 after agreeing to acquire Cookson Group's graphics business for about \$215 million. AT&T was down, IBM was unchanged, Eastman Kodak was off and McDonald's was higher.

DOLLAR: A Low vs. Swiss Franc

(Continued from first finance page)

4.9855, and at 1.255 Swiss francs, up from 1.2505.

Richard Alices, an assistant vice president with Manufacturers Hanover Trust Co. in New York.

The Treasury said \$12.6 billion of 7 1/2 percent three-year notes Tuesday in the first round of a \$34.25 billion quarterly refunding auction.

The Treasury said \$12.6 billion of 7 1/2 percent three-year notes Tuesday in the first round of a \$34.25 billion quarterly refunding auction.

The refunding's opening round went well, but analysts said sales in the week of 10- and 30-year bonds were more critical.

Mr. Griffin did not think the dollar's rise would last. "People were content to take their profits, more than anything else, but it's

definitely not a shift in direction," he said. "I think we'll see a lower dollar from here."

The dollar "seems to have established a bottom, but it's still fundamentally weak over the fears of the interest rate coming down," agreed Tim Simpson, a currency dealer at Midland Bank.

Earlier in London, the dollar hit a two-week low against the mark and a record low against the Swiss franc amid expectations of falling U.S. interest rates.

The U.S. currency closed at 1.4865 DM, down from Monday's London close of 1.4920 hit on Monday in New York.

The dollar touched a low of 1.2440 Swiss francs before rebounding slightly to close in London at 1.2505, down from 1.2570 Monday.

Dealers reported buying of Swiss francs by Middle East investors acting on war fears.

(UPI, Reuters)

Pirelli and Continental Spar

MILAN — Pirelli SPA said Tuesday it had rejected a Continental AG demand for a standstill agreement that would freeze Pirelli's stake in the German company for two years.

Continental made the demand on Monday as a condition to the start of detailed talks between the two companies about merging their tire operations.

Pirelli on Tuesday said that Continental's proposal "would be dam-

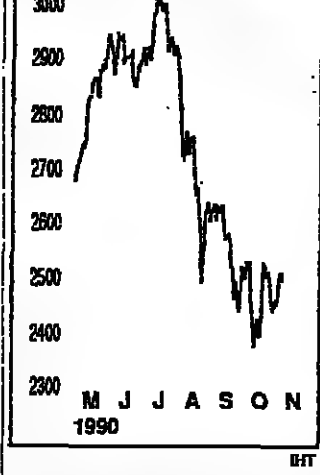
aging to the fundamental rights of all shareholders, and therefore it cannot be accepted."

Continental immediately replied that it would stick to its demand, for legal reasons. It provided no further explanation.

Pirelli said that it would give necessary guarantees to keep details of eventual talks secret and would accept "restrictions on the availability of its shares during the period of the talks."

The Dow

Daily closings of the Dow Jones industrial average



NYSE Most Active

Vol.	High	Low	Last	Chg.
Brown/	24 1/4	24 1/4	24 1/4	+ 1/4
Ferris	24 1/4	24 1/4	24 1/4	+ 1/4
IBM	24 1/4	24 1/4	24 1/4	+ 1/4
AT&T	24 1/4	24 1/4	24 1/4	+ 1/4
Waste	24 1/4	24 1/4	24 1/4	+ 1/4
McDonald's	24 1/4	24 1/4	24 1/4	+ 1/4
Eastman	24 1/4	24 1/4	24 1/4	+ 1/4
Kodak	24 1/4	24 1/4	24 1/4	+ 1/4
International	24 1/4	24 1/4	24 1/4	+ 1/4
Paper	24 1/4	24 1/4	24 1/4	+ 1/4
Cookson	24 1/4	24 1/4	24 1/4	+ 1/4
Graphics	24 1/4	24 1/4	24 1/4	+ 1/4
Business	24 1/4	24 1/4	24 1/4	+ 1/4
Group	24 1/4	24 1/4	24 1/4	+ 1/4
Fannie	24 1/4	24 1/4	24 1/4	+ 1/4
Mae	24 1/4	24 1/4	24 1/4	+ 1/4
Waste	24 1/4	24 1/4	24 1/4	+ 1/4
Management	24 1/4	24 1/4	24 1/4	+ 1/4
IBM	24 1/4	24 1/4	24 1/4	+ 1/4
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Group	24 1/4	24 1/4	24 1/4	+ 1/4

Dow Jones Averages

Open High Low Last Chg.

Index	Open	High	Low	Last	Chg.
Dow Jones	2485.15	2490.00	2480.00	2485.15	-17.08
S&P 500	215.15	216.00	214.00	215.15	-1.15
NASDAQ	1150.00	1160.00	1140.00	1150.00	-10.00

Standard & Poor's Indexes

High Low Close Chg.

Index	High	Low	Close	Chg.
Industrial	2490.00	2480.00	2485.15	-17.08
Transport	2490.00	2480.00	2485.15	-17.08
Utilities	2490.00	2480.00	2485.15	-17.08
Finance	2490.00	2480.00	2485.15	-17.08
SP 100	216.00	214.00	215.15	-1.15

NYSE Indexes

High Low Close Chg.

Market Sales	
NYSE 4 p.m. volume	141,130,000
NYSE prev. cert. close	165,797,280
Amerx 4 p.m. volume	7,140,000
Amerx prev. cert. close	10,663,000
NASDAQ 4 p.m. volume	110,727,800
NASDAQ prev. 4 p.m. volume	99,001,000
NYSE volume up	41,978,040
NYSE volume down	78,797,628
Amerx volume up	2,370,420
Amerx volume down	3,102,040
NASDAQ volume up	44,853,466
NASDAQ volume down	43,507,508

N.Y.S.E. Odd-Lot Trading	
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International Paper Buys Cookson Unit

Compiled by Our Staff From Dispatches
LONDON — Cookson Group PLC, the debt-laden British industrial materials company, said Tuesday it had agreed to sell its graphic arts business to International Paper Co. for £110 million (\$216 million).
 The deal marks the latest in a series of European acquisitions by U.S.-based International Paper in recent years.
 It is also the second major asset sale by Cookson in the past month to reduce its crippling debt burden.
 Cookson said the purchase price, which includes the repayment of debt, is subject to adjustment based on the net assets of the business when the deal is completed. Completion is expected before Dec. 31.
 Cookson Graphic Arts makes lithographic printing plates, pressroom chemicals and plate processing equipment. It had an operating profit before exceptional items of \$8 million in 1989 on sales of £147 million. Net assets at the end of 1989 were £104 million.
 Cookson said the future growth prospects of the business would be limited unless it was combined with a major manufacturer of complementary products.
 Proceeds of the sale, plus the amount received from last month's sale of Cookson's 50 percent stake in the pigments group, Fionda PLC to Imperial Chemical Industries PLC, will reduce group debt by a total of £281 million, the company said.
 Fifty Five, an analyst at Barclays de Zoete Wedd, estimated the total sales would bring Cookson's debt to about £770 million, or 50 percent of shareholders' funds. "It takes them into pretty safe ground in balance sheet terms," she said.
 International Paper produces paper, lumber, plywood and other wood products, but has been ex-

panding into more specialized businesses through recent acquisitions.
 The Purchase, New York-based company bought Ciba-Geigy AG's Ilford photographic film business in 1988. The following year it acquired Aussedat-Rey SA, Europe's biggest maker of photocopy paper, and took a 51 percent stake in Zanders Feinpapier AG, a German paper maker.
 A separate International Paper statement later said Cookson Graphic Arts' estimated 1990 sales would total about \$300 million.
 John A. Georges, International Paper's chairman and chief executive, said the acquisition would bring the company's annual sales to the commercial printing industry to nearly \$600 million.
 Cookson Graphic Arts has 1,600 employees worldwide and has manufacturing facilities in Britain, the United States and Germany. (Reuters, AP)

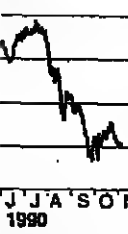
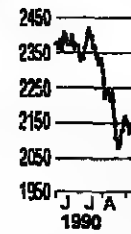
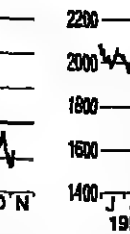
Nadir Vows to Revive Polly

ANKARA — Asil Nadir, chairman of the beleaguered conglomerate Polly Peck International PLC, said he may have made errors of judgment but vowed to revive his business empire quickly.
 "Asil Nadir will not be finished," he said in an interview with Turkish television late Monday. "You can be assured Polly Peck will be in its former place in the next four to five months."
 Last month, Mr. Nadir was stripped of control over Polly Peck, Britain's most successful stock market investment of the 1980s. The British High Court appointed administrators to take charge after the company sought protection from its creditors, who are owed £1.3 billion (\$2.55 billion).
 Mr. Nadir said Cyprus, Greece and groups he did not name received the big investments in north Cyprus, a Turkish-Cypriot breakaway state recognized only by Ankara.
 "These are groups which do not want northern Cyprus to develop and keep its head up," said Mr. Nadir, who was born in northern Cyprus.
 The state was proclaimed in 1983, nine years after Turkish troops invaded Cyprus following a short-lived coup in Nicosia engineered by Greece. Greek Cypriots want the island reunited and say Mr. Nadir built his fortune from assets unlawfully taken over after the invasion.
 "I cannot say I am a bad manager," Mr. Nadir said. "One of our mistakes may have been misjudging the importance of politics over business."
 "In life certain values come above business, profits and personal interests," he said. "The Cyprus issue has such an importance for me."
 Mr. Nadir also repeated his denial of any involvement in illegal share dealings. Polly Peck's shares plunged by more than 50 percent on Sept. 20 before being suspended after Britain's Serious Fraud Office said it had interviewed Mr. Nadir.
 "Until now, the Serious Fraud Office could not find anything," he said. "And I am sure they will not be able to."
 Turkey and Cyprus are the cradles of the far-flung Polly Peck empire, which also includes the U.S.-based Del Monte fresh-fruit operation and Japan's Sansui electronics.
 The Turkish Cypriot government has vowed to protect Polly Peck and prevent any move by the administrators to sell assets on the island.
 "I would have made the same investments in northern Cyprus and Turkey today," he said. "We will ensure the continuation of these investments."
 Polly Peck could have transferred \$750 million to London from its subsidiaries to avoid court protection, Mr. Nadir said, but he decided not to because banks were likely "to demand fast repayments."

RWE Posts 59% Rise In Profit

ESSEN, Germany — RWE AG, the diversified German utility, said Tuesday its net profit climbed 59 percent to 1.19 billion Deutsche marks (\$797.4 million) in the year ended June 30 and that the buoyant trend should persist this year.
 "We expect that earnings in the 1990-91 year will not lag behind the satisfactory level reached in 1989-90," the RWE chief executive, Friedhelm Gieske, said at a news conference.
 "All sectors showed positive developments in the first quarter," Mr. Gieske said, adding that overall sales rose 5.8 percent.
 RWE's six main businesses are energy, mining and raw materials, oil and chemicals, waste management, machinery, and construction, with the last added only this year.
 The RWE annual report said it was not yet possible to estimate the impact of higher oil prices in the wake of the Gulf crisis. But it added that better market positions of some RWE products would partly offset the burden of higher oil prices, at least in the short-term.
 RWE also said it is well equipped to meet high demand for capital and human resources needed over the next years to increase activities in eastern Germany and Eastern Europe.
 The company said a rise in group revenue, which climbed to 44.24 billion DM in 1989-90 from 38.97 billion the previous year, was mainly due to the first-time consolidation of Hochtief AG, Nukem GmbH and Lahmeyer International GmbH.
 Excluding the three companies, which RWE acquired earlier this year, sales showed a modest rise of 3.8 percent.
 Mr. Gieske said 43 percent of total revenue came from the energy

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40		
				
Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	CBS Trend	94.40	94.60	-0.21
Brussels	Stock Index	5197.85	5187.85	+0.19
Frankfurt	DAX	1398.24	1414.95	-1.18
Frankfurt	FAZ	611.44	617.56	-0.99
Helsinki	UNITAS	408.70	407.10	+0.39
London	Financial Times 30	1598.90	1581.10	+1.13
London	FTSE 100	2069.80	2050.10	+0.96
Madrid	General Index	229.54	229.33	+0.09
Milan	MIB	802.40	801.80	+0.07
Paris	CAC 40	1613.49	1620.57	-0.44
Stockholm	Affarsvariden	855.33	854.21	+0.13
Vienna	Stock Index	517.08	514.28	+0.54
Zurich	SBS	523.50	526.50	-0.57

Sources: Reuters, AFP International Herald Tribune

German Privatization Chief Seen as Ideal Choice

By Richard E. Smith
International Herald Tribune
FRANKFURT — Deterolf Rohwedder, persuaded by the Bonn government to stay on for four more years as president of the Treuhandanstalt, is considered the ideal choice for one of Germany's most challenging and controversial jobs.
 The Treuhandanstalt, which is trying to sell off some 8,000 companies in the former East Germany, said Tuesday that Mr. Rohwedder had agreed to a "long-term" assignment after reconsidering a decision made public last week that he would quit at the end of the year.
 The government moved quickly and took particular pains to keep an official in place who has weathered the first several months of the massive undertaking and who would be difficult to replace.
 Mr. Rohwedder has special qualifications for the unusual post. He guided the steel company Hoesch AG through a painful restructuring over the last decade, served in various posts in the government and was himself born in the former East Germany.
 In addition, he is a recognized figure in German and European business circles, a particular asset for the chief of a trust trying to find buyers for as many as 8,000 units as possible.
 Mr. Rohwedder has nevertheless found himself increasingly on the defensive in recent weeks, particularly from a growing chorus of critics who claim the Treuhandanstalt must sell off companies more quickly in order to speed the adjustment and end subsidies.
 The role of the Treuhandanstalt has become steadily more embattled as agonizing choices have to be made on a daily basis about the survival of companies and large numbers of jobs.
 The Treuhandanstalt has also been accused of bureaucracy, including a swipe last week by a Berlin official who claimed that the Treuhandanstalt was "well on its way to surpassing the crippling centralism of the former German Democratic Republic."
 So far, the Treuhandanstalt has sold only about 200 units, including a few projects with such major companies as Daimler-Benz AG and BASF AG, but Mr. Rohwedder said late last month that as many as 500 could be sold by the end of the year.
 The frustrations of the job caused Rainer Gohlke, former German railway chief and Mr. Rohwedder's predecessor as chief of the Treuhandanstalt, to resign in late August.
 Mr. Rohwedder's task remains immense as there is growing concern that the few attractive units have already been sold and that the bulk of the Treuhandanstalt's work in coming years will be to restructure.

3 Companies Form Aluminum Venture

Compiled by Our Staff From Dispatches
PARIS — French, British and American companies are to form a joint venture to bid for contracts for aluminum smelters and related projects, the companies said Tuesday.
 The companies are Spie Batignolles, part of Schneider SA; Davy Corbett, of Britain; and ICF Kaiser Engineers, owned by American Capital & Research Corp. (APR, Reuters)

Wartsila Buying Albia From Lafarge

PARIS — Finland's Wartsila-Lohja has agreed to buy the 75 percent stake in Albia, a Finnish construction materials company, owned by the French construction materials group Lafarge Coppel, Lafarge announced Tuesday.
 No price was announced. Although a Lafarge spokesman said the deal was worth the equivalent of one year's Albia sales — the company had 1989 revenue of 916 million French francs (\$182.7 million) — rank second in their sector in Europe.
 The 25 percent of Albia that Wartsila is not buying is owned by Japan's Toto Ltd., the Lafarge spokesman said.
 Lafarge's managing director, Bernard Kassel, said at a news conference that the profit on the deal would more than compensate for an extra provision of 130 million francs that Lafarge announced last week for its U.S. unit, National Gypsum.
 "The negotiations between Sanitex and Lafarge Coppel are proceeding," said Wartsila, referring to the unit of Lohja through which the purchase is being made. "The acquisition consideration will be determined during further negotiations this year," it added.
 According to Lafarge, Wartsila Sanitex and Albia will have joint revenue of 3 billion francs and will

BA Seeks Ally to Start Airline Based in Berlin

LONDON — British Airways PLC is examining the possibility of setting up a new German airline, based in Berlin, in partnership with German business interests, an airline industry source said Tuesday.
 A British Airways spokesman said, "As far as our internal German service is concerned, we are talking to various German interests to see how we can maintain and expand our services."
 The source said the airline would operate BA's existing routes between Berlin and about a dozen other cities in what was West Germany.

ADVERTISEMENT

Schlumberger

The undersigned announces that as from 13th November 1990 at Kas-Associates N.V., Spuistraat 172, Amsterdam, div. 68 of the Certificaten Schlumberger Limited rep. 5 shares of common stock of US\$8001 per share, will be payable with Dfls. 2.55 net per Certificate rep. 5 shares and with Dfls. \$1.00 net per Certificate rep. 100 shares, (div. per note 09/07/90, US\$ 0.50 per share). The dividend distribution is not subject to tax with-holding at source.

PARIS
 ADMINISTRATIEKANTOOR B.V.
 Amsterdam, 30th October 1990.

WORLD NATURAL RESOURCES PORTFOLIO

Société d'investissement à Capital Variable

2, boulevard Royal

LUXEMBOURG

R.C. LUXEMBOURG B-27276

NOTICE

The Extraordinary General Meeting of Shareholders held on April 7, 1989 has changed the corporate form of WORLD NATURAL RESOURCES PORTFOLIO (the "Company") into a "société d'investissement à capital variable".

Furthermore, the shareholders have on September 28, 1990 approved changes to the Articles of Incorporation, principally to permit the qualification of the Company as a UCITS under the Luxembourg law on collective investment undertakings, with effect from October 29, 1990.

From November 12, 1990, any share certificate previously issued by the Company, of either Class A or Class B, may be tendered for exchange, at no cost, at the counters of BANQUE INTERNATIONALE A LUXEMBOURG, 2, boulevard Royal, Luxembourg, against new share certificates of the relevant Class.

After December 12, 1990, former share certificates will no more be of good delivery on the Luxembourg Stock Exchange.

The Prospectus of the Company is available at the registered office of the Company at 2, boulevard Royal, Luxembourg.

THE BOARD OF DIRECTORS

VOLVO: Car Not That Tough

(Continued from first finance page)
 and spending, said Tom McManus, a vice president and senior art director at TBWA.
 Goldstar's products are less expensive than those sold by Sony and other leading electronics makers. "The best way to differentiate Goldstar from its competitors was to point out that we have less sophisticated gadgets and are easier to use," Mr. McManus said.
 To make a point about how Goldstar has simplified the programming of its VCR, one commercial offers a striking illustration of how the instructions for operating some VCR's can seem unintelligible. As the announcer explains that Goldstar has made programming easier by showing a simple version of the instructions on the television screen, a purported salesman for a rival video-cassette recorder, talking backwards, gives an incomprehensible explanation of how to use his machine.
 Goldstar began selling its products in the United States 12 years ago, advertising little and relying instead on its low prices.
 "Now we're trading up to the midrange price category," said Dewesh Srivastava, the company's advertising manager for the United States. "We have to make consumers more aware of us and create the perception that we are now more like Sony and Sharp."
 He added, "The market has become so tough, we had to become far more aggressive."

Aeritalia Is Seeking 50% Of Boeing Canadian Unit

ROME — Aeritalia SpA, Italy's state-controlled aerospace company, hopes to buy a 50 percent stake in the de Havilland division of Boeing of Canada Ltd. by the end of this year, an Aeritalia spokesman said on Tuesday.
 "De Havilland's holding company Boeing said they wanted to sell out," the spokesman said. "We want to buy half the company by the end of the year."
 The spokesman said the French aerospace giant Aerospatiale is planning to buy the other half of de Havilland, which has a 15 percent share of the world market for commuter airliners. He said it was too soon to say how much the takeover would cost.
 Aeritalia, part of Italy's huge state holding company Istituto per la Ricostruzione Industriale, is already a big producer of commuter airliners. The ATR-42 and ATR-72 commuter planes it built with Aerospatiale have 25 percent of the international market in commuter planes.

Business Prospects in Turkey, The Eastern Mediterranean & The Black Sea

ISTANBUL, NOVEMBER 13 - 14, 1990

NOVEMBER 13	NOVEMBER 14
09.15 OPENING KEYNOTE ADDRESS HE Günes Taner, Minister of State, Turkey	09.00 BANKING AND FINANCE IN THE EASTERN MEDITERRANEAN REGION Joseph G. Fogg III, Managing Director & Head of Investment Banking, Morgan Stanley & Co. New York Claude de Kemoularia, Chairman, Banque Paribas Nederland, Member of the International Committee, Banque Paribas, and Former Ambassador of France to UN, Paris Dr. Erhan Kumut, Vice Governor, Central Bank of the Republic of Turkey Guy de Seltiers, Acting Director, Corporate Finance & Investments Department, European Bank for Reconstruction & Development, Paris Sir Douglas Wass, Chairman, Nomura International plc, London
10.00 GEOPOLITICAL OUTLOOK FOR THE REGION The Rt Hon Dr David Owen MP, Former Foreign Secretary and Former Leader of the SDP, UK	11.30 Coffee
10.40 Coffee	12.00 TURKEY AND THE NEW EUROPE Temel Iskdt, Head, EC Affairs, Ministry of Foreign Affairs, Turkey Eberhard Rhein, Director, Eastern Mediterranean and Middle East, European Commission
11.00 FUTURE DEFENSE STRATEGIES IN THE EASTERN MEDITERRANEAN Stephen Hadley, Assistant Secretary of Defense for International Security Policy, Washington, DC	13.00 Lunch TURKEY: AN EMERGING REGIONAL ECONOMIC SUPERPOWER Dr Richard Perle, Resident Fellow, American Enterprise Institute, Former US Assistant Secretary of Defense, Washington DC
11.40 TURKEY: THE SOUTHERN GATE OF EUROPE HE Ahmet Kurtulbas Altinmolin, Minister of Foreign Affairs, Turkey Cem Boyner, President, TUSIAD, Istanbul Prof Dr Serif Mardin, Bogazici University, Istanbul M Okkes Ozyurt, Chairman, Public Participation Administration, Prime Ministry, Ankara	15.00 BUSINESS PROSPECTS IN THE CHANGING EASTERN MEDITERRANEAN MARKET Moderator: Prof Dr Zafar Basak, Executive Director, Turk Ekonomi Bankasi, Istanbul Panelists will include: Uzeyir Garhi, Chief Executive Officer, Alarko Group of Companies, Istanbul Bertrand Griffe, Director, Thomson-CSF, Ankara Daniele G. Rulli, Vice President - Ventures, Fiat Auto SpA, Turin
13.30 Lunch THE CHARACTER OF A GREATER EUROPE Anthony Sampson, Journalist and International Writer, London	16.30 VALEDICTORY REMARKS HE Isin Celebi, Minister of State, Turkey
15.30 INVESTMENT OUTLOOK FOR TURKEY, THE EASTERN MEDITERRANEAN & THE BLACK SEA Dr Wolfgang Albert, Chairman, Consortium for Turkey, OECD, Paris Osman Unsal, Head, Foreign Investment Department, State Planning Organization, Turkey	
16.30 INDUSTRIAL MODERNIZATION AND REGIONAL COOPERATION John Marston, President, European Institute of Technology, Verona	
17.00 DEVELOPMENTS IN THE SOVIET UNION AND IMPLICATIONS FOR HER NEIGHBORS Vladimir V. Gromovskiy, Chief Advisor, Reforma Foundation, Moscow Vahit Haliloglu, Former Minister of Foreign Affairs, Turkey	
20.00 Cocktails and Dinner	

NYSE

Tuesday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

Symbol	Price	Symbol	Price	Symbol	Price	Symbol	Price	Symbol	Price
AA	10.12	AA	10.12	AA	10.12	AA	10.12	AA	10.12
AB	10.12	AB	10.12	AB	10.12	AB	10.12	AB	10.12
AC	10.12	AC	10.12	AC	10.12	AC	10.12	AC	10.12
AD	10.12	AD	10.12	AD	10.12	AD	10.12	AD	10.12
AE	10.12	AE	10.12	AE	10.12	AE	10.12	AE	10.12
AF	10.12	AF	10.12	AF	10.12	AF	10.12	AF	10.12
AG	10.12	AG	10.12	AG	10.12	AG	10.12	AG	10.12
AH	10.12	AH	10.12	AH	10.12	AH	10.12	AH	10.12
AI	10.12	AI	10.12	AI	10.12	AI	10.12	AI	10.12
AJ	10.12	AJ	10.12	AJ	10.12	AJ	10.12	AJ	10.12
AK	10.12	AK	10.12	AK	10.12	AK	10.12	AK	10.12
AL	10.12	AL	10.12	AL	10.12	AL	10.12	AL	10.12
AM	10.12	AM	10.12	AM	10.12	AM	10.12	AM	10.12
AN	10.12	AN	10.12	AN	10.12	AN	10.12	AN	10.12
AO	10.12	AO	10.12	AO	10.12	AO	10.12	AO	10.12
AP	10.12	AP	10.12	AP	10.12	AP	10.12	AP	10.12
AQ	10.12	AQ	10.12	AQ	10.12	AQ	10.12	AQ	10.12
AR	10.12	AR	10.12	AR	10.12	AR	10.12	AR	10.12
AS	10.12	AS	10.12	AS	10.12	AS	10.12	AS	10.12
AT	10.12	AT	10.12	AT	10.12	AT	10.12	AT	10.12
AV	10.12	AV	10.12	AV	10.12	AV	10.12	AV	10.12
AW	10.12	AW	10.12	AW	10.12	AW	10.12	AW	10.12
AX	10.12	AX	10.12	AX	10.12	AX	10.12	AX	10.12
AY	10.12	AY	10.12	AY	10.12	AY	10.12	AY	10.12
AZ	10.12	AZ	10.12	AZ	10.12	AZ	10.12	AZ	10.12

BA	10.12	BA	10.12	BA	10.12	BA	10.12	BA	10.12
BB	10.12	BB	10.12	BB	10.12	BB	10.12	BB	10.12
BC	10.12	BC	10.12	BC	10.12	BC	10.12	BC	10.12
BD	10.12	BD	10.12	BD	10.12	BD	10.12	BD	10.12
BE	10.12	BE	10.12	BE	10.12	BE	10.12	BE	10.12
BF	10.12	BF	10.12	BF	10.12	BF	10.12	BF	10.12
BG	10.12	BG	10.12	BG	10.12	BG	10.12	BG	10.12
BH	10.12	BH	10.12	BH	10.12	BH	10.12	BH	10.12
BI	10.12	BI	10.12	BI	10.12	BI	10.12	BI	10.12
BJ	10.12	BJ	10.12	BJ	10.12	BJ	10.12	BJ	10.12
BK	10.12	BK	10.12	BK	10.12	BK	10.12	BK	10.12
BL	10.12	BL	10.12	BL	10.12	BL	10.12	BL	10.12
BM	10.12	BM	10.12	BM	10.12	BM	10.12	BM	10.12
BN	10.12	BN	10.12	BN	10.12	BN	10.12	BN	10.12
BO	10.12	BO	10.12	BO	10.12	BO	10.12	BO	10.12
BP	10.12	BP	10.12	BP	10.12	BP	10.12	BP	10.12
BQ	10.12	BQ	10.12	BQ	10.12	BQ	10.12	BQ	10.12
BR	10.12	BR	10.12	BR	10.12	BR	10.12	BR	10.12
BS	10.12	BS	10.12	BS	10.12	BS	10.12	BS	10.12
BT	10.12	BT	10.12	BT	10.12	BT	10.12	BT	10.12
BV	10.12	BV	10.12	BV	10.12	BV	10.12	BV	10.12
BW	10.12	BW	10.12	BW	10.12	BW	10.12	BW	10.12
BX	10.12	BX	10.12	BX	10.12	BX	10.12	BX	10.12
BY	10.12	BY	10.12	BY	10.12	BY	10.12	BY	10.12
BZ	10.12	BZ	10.12	BZ	10.12	BZ	10.12	BZ	10.12
CA	10.12	CA	10.12	CA	10.12	CA	10.12	CA	10.12
CB	10.12	CB	10.12	CB	10.12	CB	10.12	CB	10.12
CC	10.12	CC	10.12	CC	10.12	CC	10.12	CC	10.12
CD	10.12	CD	10.12	CD	10.12	CD	10.12	CD	10.12
CE	10.12	CE	10.12	CE	10.12	CE	10.12	CE	10.12
CF	10.12	CF	10.12	CF	10.12	CF	10.12	CF	10.12
CG	10.12	CG	10.12	CG	10.12	CG	10.12	CG	10.12
CH	10.12	CH	10.12	CH	10.12	CH	10.12	CH	10.12
CI	10.12	CI	10.12	CI	10.12	CI	10.12	CI	10.12
CJ	10.12	CJ	10.12	CJ	10.12	CJ	10.12	CJ	10.12

Symbol	Price	Symbol	Price	Symbol	Price	Symbol	Price	Symbol	Price
DA	10.12	DA	10.12	DA	10.12	DA	10.12	DA	10.12
DB	10.12	DB	10.12	DB	10.12	DB	10.12	DB	10.12
DC	10.12	DC	10.12	DC	10.12	DC	10.12	DC	10.12
DD	10.12	DD	10.12	DD	10.12	DD	10.12	DD	10.12
DE	10.12	DE	10.12	DE	10.12	DE	10.12	DE	10.12
DF	10.12	DF	10.12	DF	10.12	DF	10.12	DF	10.12
DG	10.12	DG	10.12	DG	10.12	DG	10.12	DG	10.12
DH	10.12	DH	10.12	DH	10.12	DH	10.12	DH	10.12
DI	10.12	DI	10.12	DI	10.12	DI	10.12	DI	10.12
DJ	10.12	DJ	10.12	DJ	10.12	DJ	10.12	DJ	10.12
DK	10.12	DK	10.12	DK	10.12	DK	10.12	DK	10.12
DL	10.12	DL	10.12	DL	10.12	DL	10.12	DL	10.12
DM	10.12	DM	10.12	DM	10.12	DM	10.12	DM	10.12
DN	10.12	DN	10.12	DN	10.12	DN	10.12	DN	10.12
DO	10.12	DO	10.12	DO	10.12	DO	10.12	DO	10.12
DP	10.12	DP	10.12	DP	10.12	DP	10.12	DP	10.12
DQ	10.12	DQ	10.12	DQ	10.12	DQ	10.12	DQ	10.12
DR	10.12	DR	10.12	DR	10.12	DR	10.12	DR	10.12
DS	10.12	DS	10.12	DS	10.12	DS	10.12	DS	10.12
DT	10.12	DT	10.12	DT	10.12	DT	10.12	DT	10.12
DV	10.12	DV	10.12	DV	10.12	DV	10.12	DV	10.12
DW	10.12	DW	10.12	DW	10.12	DW	10.12	DW	10.12
DX	10.12	DX	10.12	DX	10.12	DX	10.12	DX	10.12
DY	10.12	DY	10.12	DY	10.12	DY	10.12	DY	10.12
DZ	10.12	DZ	10.12	DZ	10.12	DZ	10.12	DZ	10.12

EA	10.12	EA	10.12	EA	10.12	EA	10.12	EA	10.12
EB	10.12	EB	10.12	EB	10.12	EB	10.12	EB	10.12
EC	10.12	EC	10.12	EC	10.12	EC	10.12	EC	10.12
ED	10.12	ED	10.12	ED	10.12	ED	10.12	ED	10.12
EE	10.12	EE	10.12	EE	10.12	EE	10.12	EE	10.12
EF	10.12	EF	10.12	EF	10.12	EF	10.12	EF	10.12
EG	10.12	EG	10.12	EG	10.12	EG	10.12	EG	10.12
EH	10.12	EH	10.12	EH	10.12	EH	10.12	EH	10.12
EI	10.12	EI	10.12	EI	10.12	EI	10.12	EI	10.12
EJ	10.12	EJ	10.12	EJ	10.12	EJ	10.12	EJ	10.12
EK	10.12	EK	10.12	EK	10.12	EK	10.12	EK	10.12
EL	10.12	EL	10.12	EL	10.12	EL	10.12	EL	10.12
EM	10.12	EM	10.12	EM	10.12	EM	10.12	EM	10.12
EN	10.12	EN	10.12	EN	10.12	EN	10.12	EN	10.12
EO	10.12	EO	10.12	EO	10.12	EO	10.12	EO	10.12
EP	10.12	EP	10.12	EP	10.12	EP	10.12	EP	10.12
EQ	10.12	EQ	10.12	EQ	10.12	EQ	10.12	EQ	10.12
ER	10.12	ER	10.12	ER	10.12	ER	10.12	ER	10.12
ES	10.12	ES	10.12	ES	10.12	ES	10.12	ES	10.12
ET	10.12	ET	10.12	ET	10.12	ET	10.12	ET	10.12
EV	10.12	EV	10.12	EV	10.12	EV	10.12	EV	10.12
EW	10.12	EW	10.12	EW	10.12	EW	10.12	EW	10.12
EX	10.12	EX	10.12	EX	10.12	EX	10.12	EX	10.12
EY	10.12	EY	10.12	EY	10.12	EY	10.12	EY	10.12
EZ	10.12	EZ	10.12	EZ	10.12	EZ	10.12	EZ	10.12

Symbol	Price	Symbol	Price	Symbol	Price	Symbol	Price	Symbol	Price
FA	10.12	FA	10.12	FA	10.12	FA	10.12	FA	10.12
FB	10.12	FB	10.12	FB	10.12	FB	10.12	FB	10.12
FC	10.12	FC	10.12	FC	10.12	FC	10.12	FC	10.12
FD	10.12	FD	10.12	FD	10.12	FD	10.12	FD	10.12
FE	10.12	FE	10.12	FE	10.12	FE	10.12	FE	10.12
FF	10.12	FF	10.12	FF	10.12	FF	10.12	FF	10.12
FG	10.12	FG	10.12	FG	10.12	FG	10.12	FG	10.12
FH	10.12	FH	10.12	FH	10.12	FH	10.12	FH	10.12
FI	10.12	FI	10.12	FI	10.12	FI	10.12	FI	10.12
FJ	10.12	FJ	10.12	FJ	10.12	FJ	10.12	FJ	10.12
FK	10.12	FK	10.12	FK	10.12	FK	10.12	FK	10.12
FL	10.12	FL	10.12	FL	10.12	FL	10.12	FL	10.12
FM	10.12	FM	10.12	FM	10.12	FM	10.12	FM	10.12
FN	10.12	FN	10.12	FN	10.12	FN	10.12	FN	10.12
FO	10.12	FO	10.12	FO	10.12	FO	10.12	FO	10.12
FP	10.12	FP	10.12	FP	10.12	FP	10.12	FP	10.12
FQ	10.12	FQ	10.12	FQ	10.12	FQ	10.12	FQ	10.12
FR	10.12	FR	10.12	FR	10.12	FR	10.12	FR	10.12
FS	10.12	FS	10.12	FS	10.12	FS	10.12	FS	10.12
FT	10.12	FT	10.12	FT	10.12	FT	10.12	FT	10.12
FV	10.12	FV	10.12	FV	10.12	FV	10.12	FV	10.12
FW	10.12	FW	10.12	FW	10.12	FW	10.12	FW	10.12
FX	10.12	FX	10.12	FX	10.12	FX	10.12	FX	10.12
FY	10.12	FY	10.12	FY	10.12	FY	10.12	FY	10.12
FZ	10.12	FZ	10.12	FZ	10.12	FZ	10.12	FZ	10.12

GA	10.12	GA	10.12	GA	10.12	GA	10.12	GA	10.12
GB	10.12	GB	10.12	GB	10.12	GB	10.12	GB	10.12
GC									

NASDAQ

Tuesday's Prices
NASDAQ prices as of 4 p.m. New York time.
This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

High	Low	Stock	Div	Yld	PE	High	Low	Stock	Div	Yld	PE
110	108	IBM	3.00	2.8	15.0	110	108	IBM	3.00	2.8	15.0
100	98	Microsoft	0.00	0.0	0.0	100	98	Microsoft	0.00	0.0	0.0
90	88	Oracle	0.00	0.0	0.0	90	88	Oracle	0.00	0.0	0.0
80	78	Novell	0.00	0.0	0.0	80	78	Novell	0.00	0.0	0.0
70	68	Lotus	0.00	0.0	0.0	70	68	Lotus	0.00	0.0	0.0
60	58	Intel	0.00	0.0	0.0	60	58	Intel	0.00	0.0	0.0
50	48	Sun	0.00	0.0	0.0	50	48	Sun	0.00	0.0	0.0
40	38	Unisys	0.00	0.0	0.0	40	38	Unisys	0.00	0.0	0.0
30	28	Compaq	0.00	0.0	0.0	30	28	Compaq	0.00	0.0	0.0
20	18	Seagate	0.00	0.0	0.0	20	18	Seagate	0.00	0.0	0.0
10	8	3Com	0.00	0.0	0.0	10	8	3Com	0.00	0.0	0.0

AMEX

Tuesday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

High	Low	Stock	Div	Yld	PE	High	Low	Stock	Div	Yld	PE
100	98	IBM	3.00	2.8	15.0	100	98	IBM	3.00	2.8	15.0
90	88	Microsoft	0.00	0.0	0.0	90	88	Microsoft	0.00	0.0	0.0
80	78	Oracle	0.00	0.0	0.0	80	78	Oracle	0.00	0.0	0.0
70	68	Novell	0.00	0.0	0.0	70	68	Novell	0.00	0.0	0.0
60	58	Lotus	0.00	0.0	0.0	60	58	Lotus	0.00	0.0	0.0
50	48	Intel	0.00	0.0	0.0	50	48	Intel	0.00	0.0	0.0
40	38	Sun	0.00	0.0	0.0	40	38	Sun	0.00	0.0	0.0
30	28	Unisys	0.00	0.0	0.0	30	28	Unisys	0.00	0.0	0.0
20	18	Compaq	0.00	0.0	0.0	20	18	Compaq	0.00	0.0	0.0
10	8	Seagate	0.00	0.0	0.0	10	8	Seagate	0.00	0.0	0.0

NYSE

Tuesday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

High	Low	Stock	Div	Yld	PE	High	Low	Stock	Div	Yld	PE
100	98	IBM	3.00	2.8	15.0	100	98	IBM	3.00	2.8	15.0
90	88	Microsoft	0.00	0.0	0.0	90	88	Microsoft	0.00	0.0	0.0
80	78	Oracle	0.00	0.0	0.0	80	78	Oracle	0.00	0.0	0.0
70	68	Novell	0.00	0.0	0.0	70	68	Novell	0.00	0.0	0.0
60	58	Lotus	0.00	0.0	0.0	60	58	Lotus	0.00	0.0	0.0
50	48	Intel	0.00	0.0	0.0	50	48	Intel	0.00	0.0	0.0
40	38	Sun	0.00	0.0	0.0	40	38	Sun	0.00	0.0	0.0
30	28	Unisys	0.00	0.0	0.0	30	28	Unisys	0.00	0.0	0.0
20	18	Compaq	0.00	0.0	0.0	20	18	Compaq	0.00	0.0	0.0
10	8	Seagate	0.00	0.0	0.0	10	8	Seagate	0.00	0.0	0.0

AMEX

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High	Low	Stock	Div	Yld	PE	High	Low	Stock	Div	Yld	PE
100	98	IBM	3.00	2.8	15.0	100	98	IBM	3.00	2.8	15.0
90	88	Microsoft	0.00	0.0	0.0	90	88	Microsoft	0.00	0.0	0.0
80	78	Oracle	0.00	0.0	0.0	80	78	Oracle	0.00	0.0	0.0
70	68	Novell	0.00	0.0	0.0	70	68	Novell	0.00	0.0	0.0
60	58	Lotus	0.00	0.0	0.0	60	58	Lotus	0.00	0.0	0.0
50	48	Intel	0.00	0.0	0.0	50	48	Intel	0.00	0.0	0.0
40	38	Sun	0.00	0.0	0.0	40	38	Sun	0.00	0.0	0.0
30	28	Unisys	0.00	0.0	0.0	30	28	Unisys	0.00	0.0	0.0
20	18	Compaq	0.00	0.0	0.0	20	18	Compaq	0.00	0.0	0.0
10	8	Seagate	0.00	0.0	0.0	10	8	Seagate	0.00	0.0	0.0

AMEX

Tuesday's Closing
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High	Low	Stock	Div	Yld	PE	High	Low	Stock	Div	Yld	PE
100	98	IBM	3.00	2.8	15.0	100	98	IBM	3.00	2.8	15.0
90	88	Microsoft	0.00	0.0	0.0	90	88	Microsoft	0.00	0.0	0.0
80	78	Oracle	0.00	0.0	0.0	80	78	Oracle	0.00	0.0	0.0
70	68	Novell	0.00	0.0	0.0	70	68	Novell	0.00	0.0	0.0
60	58	Lotus	0.00	0.0	0.0	60	58	Lotus	0.00	0.0	0.0
50	48	Intel	0.00	0.0	0.0	50	48	Intel	0.00	0.0	0.0
40	38	Sun	0.00	0.0	0.0	40	38	Sun	0.00	0.0	0.0
30	28	Unisys	0.00	0.0	0.0	30	28	Unisys	0.00	0.0	0.0
20	18	Compaq	0.00	0.0	0.0	20	18	Compaq	0.00	0.0	0.0
10	8	Seagate	0.00	0.0	0.0	10	8	Seagate	0.00	0.0	0.0

AMEX

Tuesday's Closing
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High	Low	Stock	Div	Yld	PE	High	Low	Stock	Div	Yld	PE
100	98	IBM	3.00	2.8	15.0	100	98	IBM	3.00	2.8	15.0
90	88	Microsoft	0.00	0.0	0.0	90	88	Microsoft	0.00	0.0	0.0
80	78	Oracle	0.00	0.0	0.0	80	78	Oracle	0.00	0.0	0.0
70	68	Novell	0.00	0.0	0.0	70	68	Novell	0.00	0.0	0.0
60	58	Lotus	0.00	0.0	0.0	60	58	Lotus	0.00	0.0	0.0
50	48	Intel	0.00	0.0	0.0	50	48	Intel	0.00	0.0	0.0
40	38	Sun	0.00	0.0	0.0	40	38	Sun	0.00	0.0	0.0
30	28	Unisys	0.00	0.0	0.0	30	28	Unisys	0.00	0.0	0.0
20	18	Compaq	0.00	0.0	0.0	20	18	Compaq	0.00	0.0	0.0
10	8	Seagate	0.00	0.0	0.0	10	8	Seagate	0.00	0.0	0.0

Source: Dataquest. Yearly high and low reflect the previous 52 weeks of trading. Dividend data is based on the most recent dividend payment. Dividend yield is calculated as the dividend per share divided by the current stock price. Dividend payout ratio is calculated as the dividend per share divided by the earnings per share. Dividend coverage is calculated as the earnings per share divided by the dividend per share. Dividend sustainability is calculated as the dividend per share divided by the earnings per share. Dividend growth is calculated as the dividend per share divided by the earnings per share. Dividend yield is calculated as the dividend per share divided by the current stock price. Dividend payout ratio is calculated as the dividend per share divided by the earnings per share. Dividend coverage is calculated as the earnings per share divided by the dividend per share. Dividend sustainability is calculated as the dividend per share divided by the earnings per share. Dividend growth is calculated as the dividend per share divided by the earnings per share.

مكتبة الأمل

Australian Banks Show Scars

SYDNEY — Australia's three major private-sector banks will show the scars of more than two billion Australian dollars (\$1.56 billion) in bad debt write-offs in their 1989-90 results, banking analysts said Tuesday.

They said the banks' pretax profits would have been 40 percent higher if not for the write-offs, brought on by big corporate collapses and the financial difficulties of small clients.

Only National Australia Bank Ltd., which reports its results Thursday, will emerge with a higher profit in the year ended Sept. 30 than in the year earlier period, the analysts said.

National Australia is expected to report a net profit of between 800 million and 850 million dollars, up from 784 million in 1988-89.

The figure is before the write-off of about 30 million dollars in goodwill on the purchase of Yorkshire Bank PLC, but it is after bad and doubtful debt charges of between 530 million and 580 million dollars.

Analysts said NAB's result would be higher than last year partly because of the inclusion of earnings from Yorkshire for the first time and partly because it is less exposed to corporate failures.

Westpac Banking Corp. reports on Nov. 15 and Australia & New Zealand Banking Group Ltd. on Nov. 28.

"It is only the basic strength of their underlying businesses which has allowed them to survive as

well as they have," said Les Phelps, an analyst at James Capel Australia Ltd. "They have managed to get through something which, if we had known about it before the event, would have been predicted to bring one or two of the banks down."

Westpac is forecast to report after-tax earnings of between 430 million and 520 million dollars, down from 791 million a year earlier.

This is after almost 1.2 billion in bad-debt provisions from some of Australia's larger company collapses, and before a 198 million net profit from a pension fund surplus.

Analysts said ANZ would report an after-tax profit of between 300 million and 330 million, down from 721 million in the previous year.

This would be after debt write-offs of 540 million to 560 million and before a goodwill charge of about 70 million from two acquisitions.

Analysts said the banks also suffered from tighter interest-rate margins last year because of the government's high interest rate policy.

Martin Duncan, an analyst at BT Securities Ltd., said bank performances would have improved in the second half of the year as interest rates fell and margins improved.

"But the improvement has been offset by the increase in nonperforming loans," said Mr. Duncan.

"We are unlikely to see a significant improvement in the current financial year," he said. However, Mr. Phelps of James Capel said: "We ought to be able to see some light at the end of the tunnel soon."

New World's Net Disappoints

By Steve Glain
International Herald Tribune

HONG KONG — New World Development Co., the real estate and hotel company that eked out its way into Hong Kong's top corporate ranks in the late 1980s, reported Tuesday disappointing earnings that analysts attributed to high debt-servicing costs, an ailing hotel trade and losses by associates.

The company reported net profit of 1.13 billion Hong Kong dollars (\$144.9 million) for the year ended June 30, down from 1.25 billion dollars in 1988-89. Analysts had forecast earnings of between 1.4 billion and 1.6 billion dollars.

Revenue rose to 7.95 billion dollars from 6.12 billion the previous year, largely on income from commercial property rents. The company reported an extraordinary loss of 33 million dollars after it unwound an associated shipping concern.

The directors offered a final dividend of 39 cents. That made a total of 61 cents for the year, up 1 cent from the previous year.

Analysts differed on the reasons for the profit fall, noting that the results were not widely distributed and carried no statement from the board. However, several analysts said profit suffered from the company's decision to expand its hotel division shortly before Hong Kong's tourist trade was devastated by last year's political turmoil in China. Hong Kong returns to Chinese control in 1997.

"Even though they added hotels, the net contribution from them was lower than it was last year," said an analyst with a local securities firm. "It's a lot poorer operating environment."

New World also assumed a consolidated debt of \$10 billion when it took its subsidiary New World Hotels (Holdings) Ltd. private early last year, analysts said. In February, New World Hotels made a joint purchase of the U.S.-based Ramada Inns hotel chain with Prime Motors Inc., worth \$540 million, on condition that New World would control only Ramada's overseas franchises.

Since then, Prime Motors has filed for bankruptcy protection, and it is unclear whether New World will be able to reabsorb Prime's U.S. Ramada hotels.

In March, New World Hotels reported a 41.9 percent half-year drop in earnings after opening the Grand Hyatt and Harbor View hotels, but before the Ramada purchase was factored into the results. Both hotels opened in September to occupancy rates of 20 percent to 40 percent, respectively.

"It's not very clear where the shortfall has come from," said an analyst with S.G. Warburg (Far East) Ltd., "but a big chunk was on net interest paid on consolidated debt from New World Hotels."

Analysts said New World Development has a modest debt-to-equity ratio of about 20 percent, although its net debt of 6.5 billion dollars is considered relatively high, given the perceived risk of owning property in Hong Kong.

In addition, analysts said, New World reported a loss of 49 million dollars from associated companies, the largest of which are Asia Terminals Ltd., a marine container-handling terminal thought to be highly profitable, and Asia Television Ltd., a loss-making television station. Although neither company re-

leases financial statements, several analysts forecast ATV's losses last year at about 200 million dollars.

New World stirred the investment community early last year when it announced the giant Ramada deal, which culminated a string of acquisitions that followed several profitable years.

In 1988, New World teamed up with the Hong Kong tycoons Li Ka-shing and Lee Shau-kee of Henderson Land to finance an abortive takeover bid for the venerable Hongkong Land Co.

In the first half of 1989, New World bought a 17 percent share in ATV valued at 120 million dollars, then spent an estimated 3.1 billion dollars in a raid for control of the media firm. On Oct. 1, Henderson Land also bought a 27.2 percent of the company.

New World also spent 744 million dollars acquiring the property firm Scilla Holdings Ltd., and obtained an 18 percent share of Hong Kong Resort Co. through a 370 million dollar share swap.

Investor's Asia

Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong Hang Seng		2968.71	2967.24	-0.02
Singapore Straits Times		1120.34	1122.92	-1.11
Sydney All Ordinaries		1317.80	1313.30	-0.34
Tokyo Nikkei 225		23965.75	24385.33	-1.72
Kuala Lumpur Composite		477.30	481.59	-0.89
Bangkok Book Club		579.27	588.09	-1.57
Seoul Composite Stock		N.A.	707.81	
Taipei Weighted Price		3467.70	3527.83	-1.70
Manila Composite		612.49	585.55	+3.69
Jakarta Stock Index		699.01	701.61	-0.37
New Zealand Barclays		1285.09	1322.35	-2.82
Bombay National Index		Closed	660.95	

Sources: Reuters, AFP

International Herald Tribune

Flow of Funds to H.K. Grew in '89

International Herald Tribune

HONG KONG — Overseas investment in Hong Kong's manufacturing industry increased 13.7 percent during 1989, but the perceived political risk of investing in the colony rose sharply after China's crackdown in June 1989 on the anti-government dissent, the government said Tuesday.

In a survey conducted between June and September this year, the government reported that foreign investment in the colony's industrial sector last year rose by 3.6 billion Hong Kong dollars (\$460 million), to 29.7 billion dollars.

Hong Kong's manufacturers have reported an increase in foreign investment every year since the survey was launched in 1984. In 1988, total overseas investment rose 23.6 percent over the previous year.

The survey consisted of written responses from 589 manufacturers with overseas investment engaged in Hong Kong's major industries. Government officials and private analysts said the rate of overseas investment is likely to slow this year in response to the massacre of protest-

ers in Beijing on June 3 and 4, 1989. Hong Kong returns to Chinese control in 1997 and is highly sensitive to political instability in the mainland.

"We're hopeful the 1990 figures will be somewhat similar" to those reported in 1989, said the secretary for industry, T.H. Barma. But he said it was too early to gauge how much of an impact China's turmoil would have on foreign investment in Hong Kong.

Private analysts agreed. However, some suggested the trend may parallel the decline in direct foreign investment in China. In the first six months of this year, overseas investment in the mainland totaled \$12.3 billion, down 2.3 percent from the same period last year, according to data compiled by Business International.

There's a time lag between overseas investment and the amount actually recorded and utilized, so the June 4 killings won't show up until the 1990 survey, said Anthony Chan, an analyst with Business International. "Investment flows will probably reflect the Gulf crisis by then as well."

Of those companies polled in the 83-page survey, 39 percent said Hong Kong's political climate was "unfavorable," while 25 percent said it would have a "neutral" effect on investment. More than half of those questioned said Hong Kong's political future was unfavorable, 9 percent said it was neutral and 25 percent said it was favorable.

High labor costs were cited as a negative factor by 56 percent of those polled, while 52 percent said they were concerned by the rising costs of factory space.

Despite such apprehensions, Mr. Barma said the colony would continue to attract overseas investors because of its low taxes and sophisticated credit and financial system. Hong Kong's manufacturing industry absorbs about 25 percent of the colony's total foreign investment, according to government estimates. The United States remained the largest investor in Hong Kong manufacturing, accounting for 31 percent of the total, followed by China with 11 percent, and 7 percent by Britain.

Cheung Kong To Redevelop Big Oil Depot

HONG KONG — Cheung Kong (Holdings) Ltd., the Hong Kong real estate concern, announced Tuesday that it had bought a 50 percent interest in Concord Oil Holding Ltd. for 690 million Hong Kong dollars (\$88.5 million).

A joint statement said Concord Oil's main asset is an oil depot at Tsing Yi in Hong Kong, the site of which was valued at 1.1 billion dollars as of July 1990.

Cheung Kong will become project manager for redeveloping the Tsing Yi site, as well as sales agent of the new development.

Cheung Kong has also bought 123.29 million shares, or 8 percent, of Pacific Concord from its chairman, Wong Sai Chuang.

Shares in BNZ Sink on News Of Rescue Plan

Reuters

WELLINGTON — Shares in Bank of New Zealand Ltd. and Fyfe, Richwhite Co., which holds 29 percent of the bank, plunged Tuesday, a day after the government announced that it would pay \$20 million New Zealand dollars (\$2.7 million) to bail out the bank.

The stock of BNZ, in which the government has a 51 percent stake, fell 18 cents to close at 53 cents.

The government was forced to rescue BNZ to cover loans made to shaky Australian entrepreneurs. Under terms of the bailout, Fyfe, Richwhite, an Auckland merchant bank, will cut its stake in BNZ to 26.3 percent.

Stable Currency Boosts Taiwan Foreign Trade

Compiled by Our Staff From Dispatches

TAIPEI — Taiwan's foreign trade regained momentum in October, with exports rising 9 percent and imports increasing by 14.2 percent, the government reported Tuesday.

Exports in October amounted to \$6.21 billion, while imports totaled \$5.02 billion. The resulting trade surplus of \$1.19 billion represented an 8.6 percent fall from a year earlier, the government said.

Economic officials attributed the quickened pace of trade to a more stable Taiwan dollar against the U.S. dollar and a drop in the value of the local currency against the Japanese yen and major European currencies.

Taiwan's foreign trade had slowed earlier this year, with several monthly declines in both imports and exports because of a slowing

economy and a plunging stock market.

Exports in the period from January to October inched up 0.5 percent to \$55.67 billion, while imports increased 3.6 percent to \$45.19 billion, the government officials said.

The country's trade surplus in the first 10 months of 1990 dipped 10.9 percent over the same period of last year to \$10.48 billion.

Separately, Taiwan is hoping to boost consumer goods for Soviet raw materials to substantially boost trade between the two countries.

"The Soviet Union is short of foreign exchange and the only way to boost trade with Moscow is through barter trade," the vice-economic minister, Chiang Ping-kun, said in an interview.

(AFP, Reuters)

INTERNATIONAL FUNDS

November 6, 1990

INTERNATIONAL FUNDS

November 6, 1990

Conditions applied by funds listed. Not most values reported by the Funds listed. The execution of some values based on liquidation. The amount shown indicates frequency of quotations reported: (d) - daily; (w) - weekly; (b) - bi-monthly; (r) - regularly; (t) - twice weekly; (m) - monthly

ARABIC FUNDS		EUROPEAN FUNDS		AFRICAN FUNDS		ASIAN FUNDS		AMERICAN FUNDS		CANADIAN FUNDS		AUSTRALIAN FUNDS		NEW ZEALAND FUNDS		SOUTH AFRICAN FUNDS		JAPANESE FUNDS		HONG KONG FUNDS		TAIWAN FUNDS		SINGAPORE FUNDS		MALAYSIAN FUNDS		INDONESIAN FUNDS		PHILIPPINE FUNDS		THAI FUNDS		VIETNAM FUNDS		LAOS FUNDS		BURMA FUNDS		CAMBODIA FUNDS		MYANMAR FUNDS		NEPAL FUNDS		BHUTAN FUNDS		SRI LANKA FUNDS		MALDIVES FUNDS		BANGLADESH FUNDS		PAKISTAN FUNDS		AFGHANISTAN FUNDS		INDONESIA FUNDS		MALAYSIA FUNDS		SINGAPORE FUNDS		HONG KONG FUNDS		TAIWAN FUNDS		SINGAPORE FUNDS		MALAYSIAN FUNDS		INDONESIAN FUNDS		PHILIPPINE FUNDS		THAI FUNDS		VIETNAM FUNDS		LAOS FUNDS		BURMA FUNDS		CAMBODIA FUNDS		MYANMAR FUNDS		NEPAL FUNDS		BHUTAN FUNDS		SRI LANKA FUNDS		MALDIVES FUNDS		BANGLADESH FUNDS		PAKISTAN FUNDS		AFGHANISTAN FUNDS		INDONESIA FUNDS		MALAYSIA FUNDS		SINGAPORE FUNDS		HONG KONG FUNDS		TAIWAN FUNDS		SINGAPORE FUNDS		MALAYSIAN FUNDS		INDONESIAN FUNDS		PHILIPPINE FUNDS		THAI FUNDS		VIETNAM FUNDS		LAOS FUNDS		BURMA FUNDS		CAMBODIA FUNDS		MYANMAR FUNDS		NEPAL FUNDS		BHUTAN FUNDS		SRI LANKA FUNDS		MALDIVES FUNDS		BANGLADESH FUNDS		PAKISTAN FUNDS		AFGHANISTAN FUNDS		INDONESIA FUNDS		MALAYSIA FUNDS		SINGAPORE FUNDS		HONG KONG FUNDS		TAIWAN FUNDS		SINGAPORE FUNDS		MALAYSIAN FUNDS		INDONESIAN FUNDS		PHILIPPINE FUNDS		THAI FUNDS		VIETNAM FUNDS		LAOS FUNDS		BURMA FUNDS		CAMBODIA FUNDS		MYANMAR FUNDS		NEPAL FUNDS		BHUTAN FUNDS		SRI LANKA FUNDS		MALDIVES FUNDS		BANGLADESH FUNDS		PAKISTAN FUNDS		AFGHANISTAN FUNDS		INDONESIA FUNDS		MALAYSIA FUNDS		SINGAPORE FUNDS		HONG KONG FUNDS		TAIWAN FUNDS		SINGAPORE FUNDS		MALAYSIAN FUNDS		INDONESIAN FUNDS		PHILIPPINE FUNDS		THAI FUNDS		VIETNAM FUNDS		LAOS FUNDS		BURMA FUNDS		CAMBODIA FUNDS		MYANMAR FUNDS		NEPAL FUNDS		BHUTAN FUNDS		SRI LANKA FUNDS		MALDIVES FUNDS		BANGLADESH FUNDS		PAKISTAN FUNDS		AFGHANISTAN FUNDS		INDONESIA FUNDS		MALAYSIA FUNDS		SINGAPORE FUNDS		HONG KONG FUNDS		TAIWAN FUNDS		SINGAPORE FUNDS		MALAYSIAN FUNDS		INDONESIAN FUNDS		PHILIPPINE FUNDS		THAI FUNDS		VIETNAM FUNDS		LAOS FUNDS		BURMA FUNDS		CAMBODIA FUNDS		MYANMAR FUNDS		NEPAL FUNDS		BHUTAN FUNDS		SRI LANKA FUNDS		MALDIVES FUNDS		BANGLADESH FUNDS		PAKISTAN FUNDS		AFGHANISTAN FUNDS		INDONESIA FUNDS		MALAYSIA FUNDS		SINGAPORE FUNDS		HONG KONG FUNDS		TAIWAN FUNDS		SINGAPORE FUNDS		MALAYSIAN FUNDS		INDONESIAN FUNDS		PHILIPPINE FUNDS		THAI FUNDS		VIETNAM FUNDS		LAOS FUNDS		BURMA FUNDS		CAMBODIA FUNDS		MYANMAR FUNDS		NEPAL FUNDS		BHUTAN FUNDS		SRI LANKA FUNDS		MALDIVES FUNDS		BANGLADESH FUNDS		PAKISTAN FUNDS		AFGHANISTAN FUNDS		INDONESIA FUNDS		MALAYSIA FUNDS		SINGAPORE FUNDS		HONG KONG FUNDS		TAIWAN FUNDS		SINGAPORE FUNDS		MALAYSIAN FUNDS		INDONESIAN FUNDS		PHILIPPINE FUNDS		THAI FUNDS		VIETNAM FUNDS		LAOS FUNDS		BURMA FUNDS		CAMBODIA FUNDS		MYANMAR FUNDS		NEPAL FUNDS		BHUTAN FUNDS		SRI LANKA FUNDS		MALDIVES FUNDS		BANGLADESH FUNDS		PAKISTAN FUNDS		AFGHANISTAN FUNDS		INDONESIA FUNDS		MALAYSIA FUNDS		SINGAPORE FUNDS		HONG KONG FUNDS		TAIWAN FUNDS		SINGAPORE FUNDS		MALAYSIAN FUNDS		INDONESIAN FUNDS		PHILIPPINE FUNDS		THAI FUNDS		VIETNAM FUNDS		LAOS FUNDS		BURMA FUNDS		CAMBODIA FUNDS		MYANMAR FUNDS		NEPAL FUNDS		BHUTAN FUNDS		SRI LANKA FUNDS		MALDIVES FUNDS		BANGLADESH FUNDS		PAKISTAN FUNDS		AFGHANISTAN FUNDS		INDONESIA FUNDS		MALAYSIA FUNDS		SINGAPORE FUNDS		HONG KONG FUNDS		TAIWAN FUNDS		SINGAPORE FUNDS		MALAYSIAN FUNDS		INDONESIAN FUNDS		PHILIPPINE FUNDS		THAI FUNDS		VIETNAM FUNDS		LAOS FUNDS		BURMA FUNDS		CAMBODIA FUNDS		MYANMAR FUNDS		NEPAL FUNDS		BHUTAN FUNDS		SRI LANKA FUNDS		MALDIVES FUNDS		BANGLADESH FUNDS		PAKISTAN FUNDS		AFGHANISTAN FUNDS		INDONESIA FUNDS		MALAYSIA FUNDS		SINGAPORE FUNDS		HONG KONG FUNDS		TAIWAN FUNDS		SINGAPORE FUNDS		MALAYSIAN FUNDS		INDONESIAN FUNDS		PHILIPPINE FUNDS		THAI FUNDS		VIETNAM FUNDS		LAOS FUNDS		BURMA FUNDS		CAMBODIA FUNDS		MYANMAR FUNDS		NEPAL FUNDS		BHUTAN FUNDS		SRI LANKA FUNDS		MALDIVES FUNDS		BANGLADESH FUNDS		PAKISTAN FUNDS		AFGHANISTAN FUNDS		INDONESIA FUNDS		MALAYSIA 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SPORTS

Bayern Munich, FC Cologne Advance in Soccer Tournaments

SOFIA — Bayern Munich triumphed CSKA Sofia, 3-0, Tuesday in a second-leg match of the European Cup Champions' Cup and advanced to the third round of the soccer tournament on an aggregate score of 7-0.

The Bulgarian champions had lost, 4-0 in Munich two weeks ago. With the exception of the opening minutes, Tuesday's game was equally one-sided, and Bayern scored twice in the second half even after slowing its pace.

The Bulgarians had a few good chances early on but, after Roland Wohlfarth scored for Bayern in the 16th minute, the Bulgarians failed to pose another threat.

Stefan Effenberg, in the 78th minute, and Alan McInally, with a powerful volley in the 83rd minute, added goals in what was an otherwise lackluster game.

Only 2,500 people braved the chilly, misty weather to watch.

In Prague, FC Cologne advanced to the third round of the UEFA Cup tournament by defeating Inter Bratislava, 2-0, in their second-leg match.

Rallying from a one-goal deficit after a 1-0 upset at home two weeks ago, Cologne overran the enthusiastic Slovaks after a cautious first half.

Falko Goetz, unmarked in the penalty area, scored with a header on a right-wing pass in the 57th minute. Then, in the 62nd minute, Olaf Janssen got the second goal with a spectacular volley from 30 meters after a corner kick.

Frank Gruner hit goalkeeper Ladislav Torka's posts twice in the 87th minute. (AP, Reuters)

Maradona Joins Napoli

Diego Maradona, apparently bowing to threats of disciplinary measures by his Italian club, Napoli, flew by private plane Tuesday to Moscow to join his teammates for a Club Champions' Cup match

against Spartak. The Associated Press reported from Naples.

His wife Claudia told Italian new agencies that the moody Argentine soccer star hoped to be in the starting lineup in Wednesday's crucial game in the Soviet capital.

On Monday the 30-year-old forward had refused to leave with the team, claiming he was not in the right mood for playing in Moscow.

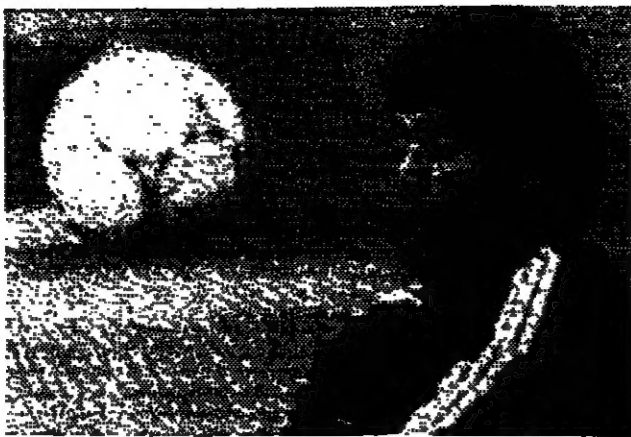
The team's general manager, Luciano Moggi, said that Maradona wouldn't be allowed to play even if he did show up.

Maradona's latest whim touched off protests Tuesday by groups of fans outside Maradona's luxury villa in Naples, forcing police to patrol the area.

Police also reported that a threat by an anonymous caller, that a bomb had been placed in Maradona's villa, had proved to be a hoax.

A Soviet Gained, One Lost

Genoa has signed Soviet star for-



Maradona: Off to the Napoli match in Moscow, after all.

ward Igor Dobrovolski on Tuesday for three years and will "loan" him to another team this season. The Associated Press reported.

But the Scottish champion Glasgow Rangers said they have sent star Soviet defender Oleg Kuznetsov, signed for \$2.3 million a month ago, to the United States for surgery on a knee injured in his second game.

Genoa's president, Aldo Spinelli, said Dobrovolski's transfer was ne-

gotiated with officials of Dynamo Moscow. Financial terms of the transfer were not given, and Spinelli would not say where the 23-year-old forward would be sent. But sources said he may join Portugal's Porto.

Genoa can't find him in the Italian league this season because his clubs can use only three non-Italian and Genoa already has Uruguay Carlos Aguilera, Czechoslovak striker Tomas Skuhravy and Brazilian defender Branco.

Saucy Days and Dull Hungers

International Herald Tribune

LONDON — Not even Spaniards would claim that soccer was the rage in the days of Miguel Cervantes, four centuries ago. Nevertheless, his theory that "langer is the best sauce in the world" suits our modern sporting gods.

Soccer stars need to spice the stales of being satiated by the rich man's game. The bigger their reputation, the higher their pay, the more relentless is the demand to win, win, win.

The temptation must be to close one's door; to say to heck with your pots of gold, your painkillers and your pressures. I limit, so home I stay.

You know such a precedent? Who knows. Diego Maradona is refusing to come out and play for Napoli on Wednesday in the European Cup Champions' Cup second-round, second leg match against Spartak in Moscow. No excuse, no explanation. Maradona, when he wiped last summer's World Cup tears from his face, had said the Club Champions' Cup was his one remaining incentive. Now, in Greta Garbo fashion, he spurns the opportunity.

We all know that his back and his ankle hurt like mad. He habitually rises late, but this is not a case of missing the flight. Members of the Napoli staff knocked loud and long on his shuttered door.

In deference to readers who think me hard on the genius, I refrain, this once, from going further than the observation that he who stays away cannot win the ball.

Napoli, which has so often surrendered club discipline to keep its superstar happy, responds, through its general manager, Luciano Moggi: "This is the time to establish once and for all that Maradona is an employee of Napoli and not the contrary."

We watch with interest. Napoli's problem is that Maradona must actually want to be sacked, either to return to his troubled businesses in Argentina or to join his persistent suitor, Bernard Tapie, in Marseille.

Have 13 years of competitive striving sapped the little man's hunger? It is arguable whether his pains have been greater on the feet of opponents or the needles of so-called medical personnel pumping cortisone into him.

The bottom line is that Napoli, held 0-0 at home by Spartak, may be about to be eliminated. And an awful precedent was set in Europe after the Turkish club Beşiktaş fined its players \$1,334 a man for losing in the first round to Malme.

If Maradona's appetite is dulled, some believe the same of AC Milan. Like Napoli, the Milan team suffered a scoreless home-leg match, against FC Bruges, yet I still think Milan will triumph in Belgium, for three reasons:

1) Milan has more pedigree and is rested after a free weekend; 2) the Belgians, masters of defense, must at some stage attack and Milan will hit them on the break; 3) the grass in Bruges will allow creative play, unlike Milan's ruined "potato patch."

Among the pretenses to Milan's throne is Olympique Marseille, whose president, Tapie, risks all by changing the recipe of last season's semifinalist.

The millions he has spent on players suddenly seem compromised by his ambition in supplanting that coach, Gerard Gili, with Franz Beckenbauer. These are early days, but Beckenbauer has achieved something Gili never did: losing to three average French

league teams and losing the tournament's away-leg match, 3-2, to Lech Poznan.

That is not an insurmountable deficit, especially once the partisan voices are raised in Marseille. But Tapie admits that the German influence may not get with the French.

Beckenbauer, last weekend, used the word "impossible." And are long, methods, this World Cup winner, proven with national squads rather than club management, may be reopening negotiations with the United States, thankful that his rejection of America was laced with diplomacy.

PANGS of past glories bite into Real Madrid. Its president, Ramon Mendoza, stopped a little short of begging midfielder Rafael Martin Vazquez not to join the lra exile, but Vazquez went to Torino.

Madrid reinvested in Romanian George Hagi and Yugoslav Predrag Spasic, but it takes time to blend with the Spanish palate, especially for Hagi, whose bitter sweet roll in Bucharest was as the pet footballing son of Nicolas Ceausescu.

Mendoza's patience is thin. He barely conceals that John Toshack, the Welsh team coach, will pay, this season or next, for failing to rebuild the team as smoothly as Instant Whip. One thing can spare Toshack: He must win the Club Champions' Cup. His team, so goal-dry in the Spanish league, dedicated the nine goals it put past Swarovski Tirol in the first leg to saving the coach.

Nine! That should suffice even for FIFA goal junkies who want the nets expanded — or is it the goal-keepers shortened? It is 30 years, and a lot of human growth, since Real Madrid scored nine in one match. And there was a neat riposte from fullback Miguel Chendo, who quipped: "Crises? In the Gulf, yes. At Real Madrid, no."

NO CRISES, just men passing through. And when it comes to the outflow of talent, no nation copes better than Yugoslavia.

Red Star Belgrade, a selling club, won its first leg, 3-0, by beating the Glasgow Rangers, whose recent team building totals \$30 million.

Red Star's class player is now Robert Prosinecki, whose uncontrollable athleticism and imaginative passing persuaded me to suggest making him Europe's most eligible star.

I am reminded that, at 21, Prosinecki is not yet eligible for trading, and his next stop is a year's national service. However, my spies tell me that Red Star is not the source of Prosinecki's new Mercedes. That, apparently, is a little on account for his agreement to join AC Milan. In 1991.

But if hunger is indeed the sauce of motivation, England's clubs have it. Aston Villa, after pining away with the rest for five years without European fare, banked \$146 million from its first-leg match against Inter Milan.

Villa does not care much that Internazionale shares that potato patch in the San Siro. Indeed, when you have peaked as well as Villa did in beating Inter, 2-0, a pitch that bogs down creative play is manna from heaven.

If the fans behave, the English club, with all the sauce a team can muster, will boldly stand against Inter, whose German trio of Jürgen Klinsmann, Lothar Matthäus and Andreas Brehme would only be human if their form is a little over the top after the running, the rewards, the celebrations of high summer.

Rummaging is tough when the bank balance, never mind the belly, brims over.

Rob Hughes is on the staff of the Sunday Times.

Soviet Tennis: A Kremlin Cup of Cheer

By Francis X. Clines

New York Times Service

MOSCOW — Tennis, for too long the hidden game of Communist apparatchiks in the Soviet Union, has reached for a populist dimension as the Kremlin Cup tournament opened with an array of world-ranked men playing for hard-cash prizes, no rubles accepted.

The game's popularity has been on the rise, with tennis rackets being avidly bought on the black market for a few months' average salary, despite the sagging economy.

And Boris N. Yeltsin, chief political antagonist of President Mikhail S. Gorbachev, may be more serve than volley, as one Soviet coach says, but he has at least been lending a further popular spin to the game lately in a photo opportunity or two.

But the scene on Monday evening, when the Association of Tennis Professionals opened its showcase for the sport at the Olympic stadium, left the Soviet national coach, Samuil A. Tarpiyev, savoring what he said would be the biggest boost to tennis since the end of

the era of stagnation, when Soviets began attempting to improve all sorts of things, including their backyard.

"Our country is late in getting involved in major world tennis, but this tournament is the single greatest event in Soviet tennis history," he said before the tournament opened with two of the Soviet Union's best players, Alexander Volkov and Andrei Medvedev, on center court.

Volkov—who at 23 years of age has the greater experience and ranking, No. 25 in the world—defeated Medvedev, 6-4, 6-3.

But the 16-year-old loser, who has a No. 1 world ranking in his age group, delivered enough explosive service to delight the crowd.

"But we have shown this youthful prowess before in our players," said one fan in the grandstand, Nikolai Galitsky, "only to see them lose it in the senior competition. It is the lack of international competition, the price of the stagnation period that costs us dearly."

Soviet officials say the problem lingers because sports remains too state-directed and dominated by a

government ministry that does not allow for contrary techniques or schools that polish the raw talents of promising tennis youngsters.

This may be changing, according to Tarpiyev, with the beginnings of a legitimate Soviet tennis federation dominated by sports enthusiasts rather than government caretakers.

While tournament organizers expect the final matches of the Kremlin Cup to be sold out, the crowd on opening night was sparse.

But the matches were shown on national television, which is far more important in cultivating the hope that a new generation will take up tennis.

And the prize money—\$330,000, with \$42,800 for the winner—has been the talk of sports fans in this economically declining nation.

Some have speculated that money was involved in the absence of Andrei Chesnokov, the top-ranked Soviet player at No. 12 in the world, who declined to play without offering an explanation.

Chesnokov is one of the first of the nation's sports professionals to have decided to share his international prize money with the state.

The chief commercial sponsor of

the tournament is Bayer aspirin, one of 30 companies contributing not so much to impress the Soviet public as to woo closer business ties with the Soviet government, said Eugene L. Scott, the tournament director, who is also packaging a two-hour show on the event for an American cable-television syndicate.

The field here includes several top-ranked players, among them No. 6 Andrei Gomer of Ecuador, No. 8 Emilio Sanchez of Spain and No. 10 Brad Gilbert of the United States.

More than championship names, however, the attraction among Moscowites in the grandstand this evening seemed simply to be the sight and sound of first-class tennis finally arriving on Soviet soil.

"This tournament will help us all," said Nikolai Trygynov, a 58-year-old weekend tennis player ever on the hunt for open room on one of the nation's scarce courts.

"I am a firm believer that every person, as a healthy animal, should sweat, and tennis makes you aware of that," he said, putting down any notion that tennis is too effete for the earthy Slavic profile.

Becker Injury Still Puzzling

United Press International

BONN — It still is not clear how serious the leg injury is that forced Boris Becker to default to Stefan Edberg in the Paris Open final, German newspapers reported Tuesday.

Becker had to stop playing in the \$2 million tournament Sunday because of intense pain in his left thigh.

The papers said Hans-Wilhelm Müller-Wohlfahrt, a Munich-based medical specialist consulted by Becker, believed that the injury was a hardening of the muscle in Becker's thigh, rather than a rupture as was thought first.

Müller-Wohlfahrt, who is also the team doctor for Germany's defending soccer champion, Bayern Munich, said he would meet again with Becker on Wednesday.

The Bonn-based newspaper, General-Anzeiger said it was doubtful that Becker would be able to play in next week's ATP Masters tournament in Frankfurt.

Becker, who is 23, has won three Grand Slam titles and is ranked No. 2 in the world. He is married and has a young son.

Becker's injury came during a practice session on Sunday. He was seen limping and holding his left thigh.

Becker's manager, Peter Dinklage, said he was not sure when Becker would return to play.

Becker's injury is the latest in a series of problems that have plagued him in recent months.

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BOOKS

THE MIRROR AT MIDNIGHT: A South African Journey

By Adam Hochschild. 309 pages. \$19.95. Viking Inc., 40 West 23d St., New York, N. Y. 10010.

Reviewed by Mark Mathabane

THE 1838 Battle of Blood River between the Zulus and the Voortrekkers, ancestors of today's Afrikaners, marked a historic turning point in the struggle for power and domination in South Africa. Massive firepower brought the Voortrekkers a lopsided victory. The triumph, which they ascribed to divine intervention, led them to bequeath to their posterity a conquered black majority, stolen black lands and an army of myths designed to justify white supremacy and black servitude.

Several of these myths form the leit-motif of Adam Hochschild's memoir, "The Mirror at Midnight," an insightful and detailed account of the influence of South Africa's turbulent past on the evolution, refining and reforming of the apartheid system.

The first of these myths is now almost totally discredited; that during the Great Trek—the epic migration from the British-ruled Cape Colony of discontented

whites of Dutch, French and German descent—the Voortrekkers found the interior of South Africa uninhabited. Hochschild provides evidence, some of it from the Voortrekker themselves, that black tribes lived in most of South Africa long before the arrival of the white man.

The most potent myth concerns the murder of a revered Voortrekker leader, Piet Retief, and his men, by the Zulu king Dingane. The act and the subsequent tracking down and massacre of an entire camp of Voortrekker families by Dingane's warriors precipitated the Battle of Blood River. Most Afrikaners, aided by historians who have rewritten South African history to serve white interests, consider Retief a martyr whose death is indicative of black treachery and barbarism.

Hochschild shows how Afrikaner historians have carefully covered up Retief's double-dealing and ulterior motives. It turns out that Dingane acted from a well-founded fear that once whites gained a foothold in his kingdom, they would quickly take over his land and subjugate his people.

"Mirror at Midnight" is largely based

on Hochschild's visit to South Africa in December 1988, the 150th anniversary of the Battle of Blood River. He found the country's whites steeped in celebrations commemorating the event. Yet there was a split in the Afrikaner community. The right-wing Conservative Party and the far-right Afrikaner Resistance Movement organized their own ceremonies to compete with those of the governing National Party, which they claimed had betrayed Afrikanerdom and desecrated Retief's memory by instituting reforms and talking about "power sharing" with blacks.

As Hochschild follows the two rival processions during stops in various white towns across the country, he paints colorful vignettes illustrating the surrealism and shallowness of white life and politics, into which he weaves poignant stories about the plight of the black majority. He takes us into black ghettos where we hear the wrenching testimonies of victims of police brutality, apartheid-induced poverty and black-on-black violence.

The majority of white South Africans, Hochschild asserts, are "summer folks" completely oblivious to the suffering,

feelings and aspirations of their black compatriots. He likens them to the French aristocracy during the reign of Louis XVI and the Russian gentry before the Bolshevik Revolution.

Hochschild's liberal has sometimes leads him to sound like an apologist for the African National Congress and to ignore the movement's shortcomings and mistakes. He has nothing but scorn for Chief Mangosuthu Buthe, the leader of Inkatha; he sees the development of a black middle class in South Africa's ghettos as serving apartheid's interests, and he fails to give due credit to President Frederik W. de Klerk for his courage in instituting radical reforms.

Nonetheless, "The Mirror at Midnight" is an important addition to the debate about South Africa and the challenges facing its various people as they wrestle with a painful past in their determined struggle to abolish the remnants of apartheid and forge a more just society.

Mark Mathabane, the author of "Kaffir Boy" and "Kaffir Boy in America," wrote this for The Washington Post.

BEST SELLERS

The New York Times

This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

Week of Nov. 5-11, 1990

THE PLAINS OF PASSAGE, by Jean M. Auel, 1 3

LADY BOSS, by Jackie Collins, 2 5

FOUR PAST MIDNIGHT, by Stephen King, 3 8

RECKONING OF MIDNIGHT, by Sidney Sheldon, 4 11

LONGSHOT, by Dick Francis, 5 12

BUFFALO GIRLS, by Larry McMurtry, 6 13

THE FIRST MAN IN ROME, by Colleen McCullough, 7 14

UPBURN, by Scott Turow, 8 15

THE BURDEN OF PROOF, by Scott Turow, 9 16

UNDER SIEGE, by Stephen Coonts, 10 17

THE GENERAL IN HIS Labyrinth, by Gabriel Garcia Marquez, 11 18

ON THE PLACES YOU'LL GO, by Tom De Haven, 12 19

ER, by Len Deighton, 13 20

HOCUS FOCUS, by Kurt Vonnegut, 14 21

THE STAND, by Stephen King, 15 22

SURRENDER THE PINK, by Carrie Fisher, 16 23

ADVICE, HOW-TO & MISCELLANEOUS

1 HOMECOMING, by John Updike, 1 16

2 THE GREAT WALDO SEARCH, by Martin Handberg, 2 17

3 DR. DEAN ORNISH'S PROGRAM FOR REVERSING HEART DISEASE, by Dean Ornish, 3 18

4 WEALTH WITHOUT RISK, by Charles J. Givens, 4 19

5 POWER'S WALDO, by Martin Handberg, 5 20

6 BY WAY OF DECEPTION, by Victor Cernovsky, 6 21

7 THE CIVIL WAR, by Geoffrey C. Ward with Ken Burns and Ken Burns, 7 22

8 MILLIE'S BOOK, as dictated to Barbara Hall, by Deborah Taves, 8 23

9 YOU JUST DON'T UNDERSTAND, by Deborah Taves, 9 24

10 THE CAT AND THE CRU-MUDDGON, by Cleveland Amory, 10 25

11 FIRST NIGHT LIGHTS, by E.L. Rieu, 11 26

12 BOOTLEGGER'S BOY, by E.L. Rieu, 12 27

13 DARKNESS VISIBLE, by William Styron, 13 28

14 AND BY THE GARDEN, by William Styron, 14 29

15 CLOSER TO THE LIGHT, by Melvin Morse with Paul Fournier, 15 30

16 THE BOOK OF J, translated by David Rosenberg, illustrated by David Rosenberg, 16 31

17 FLEETWOOD, by Mick Fleetwood with Stephen Davis, 17 32

18 POWERSHIFT, by Alvin Toffler, 18 33

19 LOOKING FOR A SEUP, by John McPhee, 19 34

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SPORTS

World Record Setters Reynolds and Barnes Fail Drug Tests

By Michael Janofsky

New York Times Service

NEW YORK — Two U.S. world record holders, 400-meter runner Butch Reynolds and shot-putter Randy Barnes, have tested positive for anabolic steroids and face automatic two-year suspensions from competition, but both denied Tuesday having used the banned substances.

Barnes, through his attorney, John Dowd, filed an affidavit with the U.S. governing body of track and field in which he said, "In six years of competition, I have never taken any prohibited substance."

The International Amateur Athletic Federation, the sport's world governing body, announced Monday night that it had notified the U.S. organization, the Athletics Congress, that Reynolds and Barnes had failed drug tests administered after they had competed in meets last summer in Europe.

Dr. Arne Ljungqvist of Sweden, a federation vice president and member of its medical committee, said from Stockholm that Barnes, 24, had tested positive for the steroid nandrolone after a meet Aug. 7 in Malmö, Sweden.

After the initial analysis showed traces of a banned drug, Barnes was summoned to a lab in Sweden to be present at the testing of the second sample, Ljungqvist said.

He said that Reynolds, 26, had tested positive for methyltestosterone after a meet Aug. 12 in Monte Carlo and was present in a Paris lab on Oct. 13 when the second test was conducted.

"I have been subjected to dope tests on approxi-

mately 30 occasions since 1985 and have always tested negatively," Barnes said in his statement. "I have always submitted to and passed every dope test administered to me, including random and 48-hour tests."

Reynolds, in a statement he read from the office of his agent in Washington, cited his long-standing opposition to drug use and said his positive test was the result of "some fallacy" of the testing at Monte Carlo, where he finished third in a race in 44.91 seconds.

"I have never used steroids," he said. "I have been drug-tested five times over the last 10 months. Believe me, the results of Monte Carlo are completely inconsistent with my history and, to my knowledge, cannot be medically supported."

In a statement issued Tuesday in Indianapolis, TAC's president, Frank Greenberg, said the two athletes are entitled to apply for a stay and to a hearing on that stay, and that "therefore, until the appropriate time under our rules, we will not comment on any positive tests. To do so would compromise TAC's policy of confidentiality."

If they are banned, Reynolds and Barnes would be ineligible for the World Track and Field Championships next summer in Tokyo and the Barcelona Olympics in 1992.

Reynolds and Barnes are the most prominent track and field athletes to test positive since Ben Johnson of Canada lost his gold medal in the 100 meters for failing a drug test at the Seoul Olympics in 1988.

They are also the latest in a succession of world-class athletes, including several Americans, who have tested positive. Last month, Soviet officials announced that 11 track and field athletes had failed drug tests.

Reynolds broke a 20-year-old world record in the 400 with a time of 43.29 seconds two years ago in Zurich. Barnes set his record on May 20 in Los Angeles, with a throw of 75 feet, 10 1/4 inches. Each athlete won a silver medal in his event at the Seoul Olympics.

What effect the failed tests might have on their world records was unclear. Johnson, who set a world record in Seoul, lost it as a result of his drug test. Both Reynolds and Barnes passed tests at the meets in which their records were set.

The positive results also came at a time of increased vigilance worldwide against drug use in all sports, prompted in large part by Johnson's positive test in Seoul and a six-month investigation of athletes' drug use by the Canadian government. Johnson recently finished his two-year suspension and has resumed training.

The recent efforts include an increase in the number of countries, among them the United States, that are testing athletes without warning, and a drug-testing agreement between the Olympic committees in the United States and the Soviet Union that allows medical experts of each country to test athletes in the other. Other countries have engaged in similar arrangements.

Anabolic steroids, which can enhance performance by helping an athlete train harder and recover faster, are among hundreds of substances banned for use by most international sports organizations.

In cases of a positive finding, which is based on identical results of two tests of the same urine sample, the international federation instructs the national federation to suspend the athlete, and usually, it is done at once.

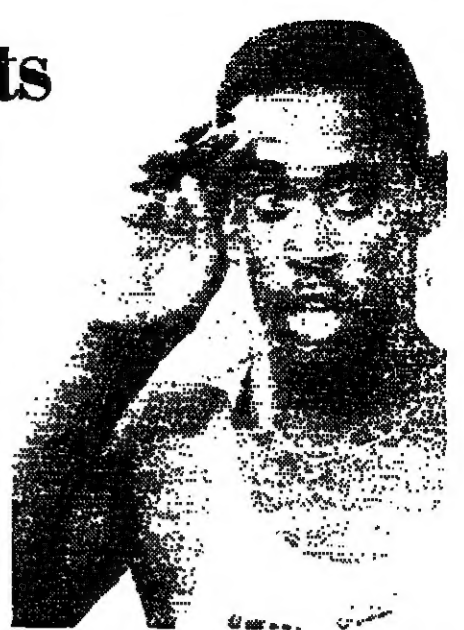
But with athletes from the United States, the process is delayed while the athlete exhausts an appeal process available through The Athletics Congress, the sport's national governing body. Then, only if the positive finding is upheld, would the athlete be suspended.

Because both Reynolds and Barnes are appealing the findings, Pete Cava, a spokesman for TAC, said the organization would not comment on either case.

Their cases became public, and ultimately confirmed by the international federation, only after the results of the initial tests were leaked to journalists in Europe by personnel involved in the testing.

Ljungqvist said Monday night that the international federation has always recognized the U.S. federation's adjudication process. But it would not alter the fact that Reynolds and Barnes had tested positive for a banned substance.

"Doping infractions occurred; there is no doubt, none at all," Ljungqvist said from Stockholm, where he is head of the department of pathology in Karolinska Hospital.



400-meter Reynolds: "Some fallacy."

Brad Hunt, Reynolds' agent, said Reynolds had been tested in May by TAC as part of the unannounced testing program and in seven days after the Monte Carlo meet, following a meet in Cologne, Germany. Hunt said he expected the case to be heard by TAC within a month.

SIDELINES

Secretariat Son Wins Melbourne Cup

MELBOURNE (Reuters) — Kingston Rule, sired by the great U.S. stallion Secretariat, won the \$1.6 million Melbourne Cup, Australia's richest horse race, in a race-record time Tuesday of 3 minutes, 16.3 seconds for the two miles (3.2 kilometers).

The 5-year-old stallion, in breaking the mark set last year by Tawarick by eight-tenths of a second, earned owner David Hains \$1 million and gave trainer Bart Cummings his eighth Cup victory.

Kingston Rule finished a length ahead of The Phalaris, with a second New Zealand thoroughbred, Mr. Brooker another neck back.

Japanese 4-0 After Rout of U.S. Team

TOKYO (AP) — Makoto Sasaki of the Diaci Hawks got five hits in six at-bats Tuesday as a team of Japanese all-stars, with 20 hits and five stolen bases, routed a touring team of major leaguers, 11-5, to take a 4-0 lead in the eight-game series. The Japanese have tied, but never won, a series against major league competition.

The U.S. players committed four errors in the game at Hiwadaei Stadium in Fukuoka, on the southern island of Kyushu.

Cecil Fielder, who played for the Hanshin Tigers in 1989 and hit 51 home runs for the Detroit Tigers this season, drove in his first run of the series in the ninth inning. Wednesday's fifth game is to be played at Koshien Stadium in Osaka, the home field of the Hanshin Tigers.

Great Communicator Is Destroyed

ARCADIA, California (AP) — Great Communicator, who won the Breeders' Cup Turf in 1988 and had earned nearly \$3 million, broke down in Monday's closing-day feature at Santa Anita and had to be destroyed. The 7-year-old gelding was 1 1/2 lengths behind pace-setting Ultrasonido in the \$219,400 Carden F. Burke Handicap when he stumbled on the backstretch of the turf course and suffered a compound fracture of the right hind leg cannon bone.

He was the second horse to be destroyed in two days at Santa Anita. Sunday, the Irish-bred Baldomero broke his left foreleg in a turf race and was destroyed. The 3-year-old, trained by Bill Shoemaker, had placed first or second in all six of his American starts.

For the Record

Howard Kendall, who guided Everton to a European Cup Winners' Cup title five years ago, was hired again Tuesday as manager of the English club.

Kerry Dixon, the Chelsea soccer team's star, was charged Tuesday with stealing \$10,000 (\$19,735) from an unidentified man.

New York City Marathon organizers said they are strongly considering moving the race back a week to reduce chances of the unseasonably warm weather that hampered runners Sunday. Next year's race is scheduled for Nov. 3.

The World Boxing Council repeated its demand Monday that heavyweight champion Evander Holyfield defend his title against former champion Mike Tyson instead of fighting veteran George Foreman.

George Steinbrenner, who had sought permission to become involved in the New York Yankees' dealings in the free-agent market, has been turned down by the baseball commissioner, Ray Vincent.

The Texas Delegation of the WBC super-bantamweight title from American Paul Burke when the referee stopped the fight 2 minutes, 35 seconds into the fourth round after three knockdowns.

Coach Sam Rutigliano on Liberty University's struggling offense: "It reminded me of the tempo. One, two, three, kick."

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Pact Changes Market for Free Agents

By Murray Chass

New York Times Service

NEW YORK — The way the free-agent market is shaping up, if baseball teams don't like what they see in the first group, they can wait for the second wave to hit.

"If the settlement goes through, it will provide an additional depth to an already deep free-agent market," said an agent, Tom Reich.

Reich was talking about the collection settlement being worked out by lawyers for major-league owners and the players. Although both sides say the settlement won't be complete until all details are worked out, they have agreed on the two most critical elements: The owners, who two arbitrators said conspired against free agents for three years, will pay the players \$280 million, and 16 players from the 1987 free-agent class will receive a second chance to be free.

The 16 players will be free, if they choose, early next month, after both sides ratify the settlement at their respective winter meetings.

Called new-look, second-look or free-look free agents, the players will have three options: They can remain with their current teams under their existing contracts, they can remain with their current teams after negotiating new contracts, or they can sign with other teams. A lawyer close to the case said they would have until some time in February to make their decisions.

The regular group of 95 free agents could begin signing with anyone on Monday. The second wave could have an impact on that group in two ways.

For one thing, Reich said, "There's so much depth, there might feel they don't have to go insane spending for one player."

For another, teams may find players in the second group more appealing for their purposes and thus want to try to sign them.

The New York Yankees, for example, have stated their need for a third baseman, and they have expressed some interest in Terry Pendleton, the St. Louis Cardinals' third baseman, who became available Monday. But the new-look



The Indianapolis defense was ineffective as Lewis Tillman and the Giants ran over the Colts, 24-7.

group will include Gary Gaetti, the Minnesota Twins' third baseman.

"I don't know," Gene Michael, the Yankees' general manager, said when asked if Gaetti's availability could affect his planning. "It doesn't hurt our situation there. But I also have a couple of possibilities of acquiring a third baseman without signing a free agent."

He did not say what those possibilities were, but indicated that a

trade, if he made one, would not be for a major third baseman.

Gaetti and Jack Clark are the only infielders among the 16. The group also includes outfielders Brett Butler, Dave Henderson and Chili Davis; catcher Mike Heath; relief pitchers Dave Smith, Larry Andersen and Juan Berenguer; and starting pitchers Jack Morris, Dwight Gooden, Dennis Martinez, Mike Witt, Dave LaPoint, Charlie Leibrandt and Mike LaCoss.

Butler, San Francisco's center fielder, is the only one of the group who has two guaranteed years on his contract.

The San Francisco Giants, who consider him one of their prized players, most likely will offer to raise Butler's salary from \$1.35 million a year. But they could have serious, since this year he batted .309, had 51 stolen bases and scored 108 runs.

SCOREBOARD

FOOTBALL

NFL Standings

AMERICAN CONFERENCE

AFC East

Buffalo

Miami

N.Y. Jets

Indianapolis

New England

AFC Central

Cincinnati

Pittsburgh

Houston

Cleveland

AFC West

LA Raiders

Kansas City

San Diego

Denver

Seattle

NATIONAL CONFERENCE

NFC East

N.Y. Giants

Washington

Philadelphia

NCAA Leaders

Individual Leaders

Baseball

Batting

Baltimore Orioles

Detroit Tigers

New York Yankees

Los Angeles Dodgers

St. Louis Cardinals

Pittsburgh Pirates

Chicago Cubs

San Francisco Giants

Philadelphia Phillies

Cincinnati Reds

Milwaukee Brewers

Houston Astros

Texas Rangers

Seattle Mariners

Oakland Athletics

Boston Red Sox

Los Angeles Angels

San Diego Padres

Colorado Rockies

Florida Marlins

Baseball

Pitching

New York Yankees

Los Angeles Dodgers

St. Louis Cardinals

Pittsburgh Pirates

Chicago Cubs

San Francisco Giants

Philadelphia Phillies

Cincinnati Reds

Milwaukee Brewers

Houston Astros

Texas Rangers

Seattle Mariners

Oakland Athletics

Boston Red Sox

Los Angeles Angels

San Diego Padres

Colorado Rockies

Florida Marlins

New York Yankees

Los Angeles Dodgers

St. Louis Cardinals

Pittsburgh Pirates

Baseball

Fielding

New York Yankees

Los Angeles Dodgers

St. Louis Cardinals

Pittsburgh Pirates

Chicago Cubs

San Francisco Giants

Philadelphia Phillies

Cincinnati Reds

Milwaukee Brewers

Houston Astros

Texas Rangers

Seattle Mariners

Oakland Athletics

Boston Red Sox

Los Angeles Angels

San Diego Padres

Colorado Rockies

Florida Marlins

New York Yankees

Los Angeles Dodgers

St. Louis Cardinals

Pittsburgh Pirates

Baseball

Team Leaders

Baseball

Batting

New York Yankees

Los Angeles Dodgers

St. Louis Cardinals

Pittsburgh Pirates

Chicago Cubs

San Francisco Giants

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Cincinnati Reds

Milwaukee Brewers

Houston Astros

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